

**Coláiste Mhuire gan Smál
- Ollscoil Luimnigh -**

Financial Report

For the Year Ended

30 September 2006

**Report of the Vice President of Administration and Finance
and
Financial Statements**

30 September 2006

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Coláiste Mhuire gan Smál
- Ollscoil Luimnigh -

An Bord Rialaithe/Governing Body and other information

An Bord Rialaithe/Governing Body

Most Reverend Dr. Donal Murray – Cathaoirleach/Chairman
Dr. Peadar Cremin – Uachtarán/President
Dr. Eugene Wall – Vice President Academic Affairs
Mr. J. Coady – Vice President Administration and Finance
*Dr Margo O’Sullivan – Associate Vice President
Dr. Teresa O’Doherty
Mr Richard Haslam
Dr. John Hayes
Mgr. Michael Lane
Dr. Dermot Morris
Gearóid Uas. O Tiarnaigh
Sr Thomasina Finn
Mr Seán Mangan (Student Union President)
Mr Brian Gleeson (Student Union Vice-President)
**Mr Dermot Chadwick

Dr Michael Healy
Ms Fiona Mc Sorley
Mr Sean de Brún
Dr Eamonn Conway
Mr Michael Finneran
Dr Una Ni Bhroiméil
Ms Rachel Godfrey
Mr Micheál O’Maolcatha
Mr John Hayden
Ms Ann Kavanagh
Ms Josephine Ryan
Ms Eucharía Ryan
Fr Liam Walsh
Ms Margaret O’Brien

Iontaobhaithe/Trustees

Most Reverend Dr. Donal Murray – Cathaoirleach/Chairman
Most Reverend Dr. Dermot Clifford
Most Reverend Dr. William Murphy
Sr. Thomasina Finn
Sr Helen Keegan
Sr. Helena O’Donoghue
**Mr Dermot Chadwick
Mr Richard Haslam

* Appointed
**Retired

Auditor

Comptroller and Auditor General
Dublin Castle
Dublin 2

Solicitors

Leahy & Partners
100 O’Connell Street
Limerick

Consulting Accountants

Grant Thornton
Mill House
Henry Street
Limerick

Bankers

Bank of Ireland
94 O’Connell Street
Limerick

**Report of the Vice President Administration and Finance
In respect of the year ended 30 September 2006**

The Vice President Administration and Finance on behalf of An Bord Rialaithe presents herewith the financial statements of the College for the year ended 30 September 2006.

Principal Activities

The College is engaged in the furtherance of education, notably in the provision of the full-time primary degrees, Bachelor of Education and Bachelor of Arts, the post graduate Diploma in Education and other programmes of Postgraduate, Special Education, In-service and Adult Education.

State Funding

The Higher Education Authority is the statutory body, which advises the Minister for Education and Science and the Government on Higher Education policy. It is also the funding body for the Universities and a number of other institutions designated under the terms of the Higher Education Authority Act 1971. The College receives its funding through the HEA and in the year ended 30 September 2006, total grants received amounted to €17,778,893 as detailed in Note 1.

Overall Results

The College's overall result for the year show a surplus of €551,301 leading to a surplus in retained reserves of €908,584 at 30 September 2006.

The College is required by the Higher Education Authority to prepare a breakeven budget each year, which by its nature is based on certain assumptions, in particular in relation to student intake and the indicative funding available. The College has for several years been seeking the introduction of a system of multi-annual planning and funding to facilitate the preparation of more accurate budgets. The HEA is currently facilitating a consultation process on the review of the current recurrent funding mechanism.

An Bord Rialaithe

The members of An Bord Rialaithe are as set out on page 2.

On behalf of An Bord Rialaithe:

**John Coady
Vice President Administration & Finance**

Date: 9th December 2009

**Coláiste Mhuire gan Smál
- Ollscoil Luimnigh -**

**Statement of Responsibilities of
An Bord Rialaithe for the Financial Statements**

The Higher Education Authority requires An Bord Rialaithe to prepare financial statements which give a true and fair view of the results for the year and of the state of affairs of the College. In preparing those financial statements An Bord Rialaithe is required to:

- select suitable accounting policies and apply them consistently
- make judgments and estimates that are reasonable and prudent
- prepare the financial statements on a going concern basis unless that basis is inappropriate.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

An Bord Rialaithe is responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the College. An Bord Rialaithe is also responsible for safeguarding the assets of the College and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Dr. Peadar Cremin
President

Mr. John Coady
Member of An Bord Rialaithe

Date: 9th December 2009

Coláiste Mhuire gan Smál
- Ollscoil Luimnigh -

Statement on Internal Financial Control

Responsibility for System of Internal Financial Control

An Bord Rialaithe acknowledges its responsibility for ensuring that an effective system of internal financial control is maintained and operated. The system of internal control consists of those processes used to identify, evaluate and manage the significant risks faced by the College in the management of its affairs. The system is designed to manage rather than eliminate risk, recognising that only reasonable and not absolute assurance can be provided that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected on a timely basis.

Key Control Procedures

An Bord Rialaithe has taken steps to ensure an appropriate control environment, including the following:

- Financial procedures and regulations are documented, implemented and up to date.
- Regular reviews by the Vice President of Administration and Finance of periodic and annual financial reports, which include financial performance against budgets
- Setting targets to measure financial and other performance
- Clearly defining capital investment control guidelines
- An Bord Rialaithe has set up an Audit Committee which has clear terms of reference, will deal with significant control issues and will receive reports of both internal auditors and the Comptroller and Auditor General

The Audit Committee operates in accordance with the Framework Code of Best Practice set out in the Code of Practice for the Governance of State Bodies. Consultants to the College have completed a risk register and have presented their report thereon to An Bord Rialaithe.

I confirm that, in respect of the year ended 30th September 2006, the Audit Committee carried out a review of the System of Internal Financial Control and reported thereon to An Bord Rialaithe.

Signed on behalf of An Bord Rialaithe:

Dr Peadar Cremin
Acting Chairman

Date:- 9th December 2009

**Coláiste Mhuire gan Smál
- Ollscoil Luimnigh -**

COLÁISTE MHUIRE GAN SMÁL-OLLSCOIL LUIMNIGH

**Report of the Comptroller and Auditor General for presentation to the
Houses of the Oireachtas**

I have audited the financial statements of Coláiste Mhuire gan Smál – Ollscoil Luimnigh for the year ended 30 September 2006 under the Comptroller and Auditor General (Amendment) Act, 1993.

The financial statements, which have been prepared under the accounting policies set out therein, comprise the Accounting Policies, the Income and Expenditure Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet, the Cash Flow Statement and the related notes.

Respective Responsibilities of an Bord Rialaithe and the Comptroller and Auditor General

Coláiste Mhuire gan Smál – Ollscoil Luimnigh is responsible for preparing the financial statements and for ensuring the regularity of transactions. Coláiste Mhuire gan Smál – Ollscoil Luimnigh prepares the financial statements in accordance with Generally Accepted Accounting Practice in Ireland. The accounting responsibilities of the Members of an Bord Rialaithe are set out in the Statement of Responsibilities of an Bord Rialaithe.

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

I report my opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland. I also report whether in my opinion proper books of account have been kept. In addition, I state whether the financial statements are in agreement with the books of account.

I report any material instance where moneys have not been applied for the purposes intended or where the transactions do not conform to the authorities governing them.

I also report if I have not obtained all the information and explanations necessary for the purposes of my audit.

I review whether the Statement on Internal Financial Control reflects the College's compliance with the Code of Practice for the Governance of State Bodies and report any material instance where it does not do so, or if the statement is misleading or inconsistent with other information of which I am aware from my audit of the financial statements. I am not required to consider whether the Statement on Internal Financial Control covers all financial risks and controls, or to form an opinion on the effectiveness of the risk and control procedures.

Basis of Audit Opinion

In the exercise of my function as Comptroller and Auditor General, I conducted my audit of the financial statements in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board and by reference to the special considerations in relation to management and operations which attach to bodies in receipt of substantial funding from the State. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures and regularity of the financial transactions included in the financial statements. It also includes an assessment of the significant estimates and judgments made in the preparation of the financial statements, and of whether the accounting policies are appropriate to the College's circumstances, consistently applied and adequately disclosed.

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

Emphasis of Matter – Deferred Pension Funding

Without qualifying my opinion which is set out below I draw attention to note 13 (d) to the financial statements. The College recognises an asset in respect of deferred pension funding – the current value of the funding it anticipates will be provided in the future by the State to meet pension liabilities as they fall due. Inherent in this accounting treatment is an assumption that any income generated by the College will in the first instance be applied towards current expenses and that State funding will meet any current or future shortfall in resources including future pension liabilities.

Opinion

In my opinion, the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the College's affairs at 30 September 2006 and of its income and expenditure for the year then ended.

In my opinion, proper books of account have been kept by the College. The financial statements are in agreement with the books of account.

John Buckley
Comptroller and Auditor General
15 December 2009

Coláiste Mhuire gan Smál
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Accounting Policies

(a) Accounting Convention

The financial statements are prepared under the accruals method of accounting, except as indicated below, and in accordance with generally accepted accounting principles under the historical cost convention. Financial Reporting Standards recommended by the recognised accountancy bodies are adopted as they become operative.

(b) State Funding

Core Grant from the Department of Education and Science is paid to the College through the Higher Education Authority on a calendar year basis. The amounts received are credited to the Income and Expenditure in the period to which they relate. Income in respect of Strategic Initiatives is shown in the Income and Expenditure Account in the year in which the related expenditure is incurred.

(c) Fixed Assets

A professional valuation of buildings was carried out in April 2001. The policy is to maintain this valuation for the foreseeable future.

The cost of other fixed assets is their purchase cost, together with any incidental expenses of acquisition. Depreciation is provided on a straight-line basis at the following rates:

Buildings	2%
Prefabricated Buildings – Post 1998	10%
Teaching Equipment	25%
Computer & Office Equipment	25%
Motor Vehicles	20%
Furniture & Equipment	10%
Catering & Gardening Equipment	10%

Items costing less than €3,174 are not capitalised.

(d) Leased Assets

Assets held under finance leases are capitalised with similar owned assets in the balance sheet. Obligations under finance leases are included with liabilities, analysed between amounts falling due within one year and amounts due after more than one year.

(e) Research and Self Funding Programmes

Funds received in respect of Research and Self Funding Programmes are shown in the Income and Expenditure Account in the year in which the related expenditure is incurred.

Accounting Policies

(f) Pension Benefits

Pension Schemes for Academic, Administrative and Non-Academic staff in Colleges of Education for National Teachers

The College operates a defined benefit superannuation scheme which is unfunded. The disclosures required and principles contained in FRS 17 have been adopted in these financial statements and are based on a full actuarial valuation by a qualified independent actuary.

Recurrent pensions are funded annually on a pay as you go basis from the Core Grant provided by the Department of Education and Science via the Higher Education Authority.

Pension costs charged to expenditure represent the current service cost plus interest on pension scheme liabilities less employee contributions.

Net deferred funding for pensions is recognised as income to the extent that it is recoverable, and offset by grants received in the year to discharge pension payments.

Actuarial gains or losses arising on scheme liabilities are reflected in the Statement of Total Recognised Gains and Losses and a corresponding adjustment is recognised in the amount recoverable from the Department.

Pension Liabilities represent the present value of future pension payments earned by staff to date. Deferred pension funding (€65.5m) represents the corresponding asset to be recovered in future periods from the Department. As this is a public sector pension funded by the government, the assumption is that this policy will continue for the foreseeable future.

(g) Capital Reserve

Capital Expenditure, which is financed from the core grant, is charged against income in the year in which the expenditure is incurred. The net movement in fixed assets is credited to Capital Reserve. The Capital Reserve balance therefore represents the amortised value, including revaluations, of income used for capital purposes together with the capital element of finance lease repayments.

(h) Development Reserve

The Development Reserve is used for the future Capital and Strategic development of the College. Surplus funds arising from non core activities as well as provision for funding of specific projected activities are credited to Development Reserves.

(i) Accommodation Reserve

Surpluses generated from the rental of College student residences are transferred to the Accommodation Development Reserve which is used for the purchase and refurbishment of residential facilities.

**Coláiste Mhuire gan Smál
- Ollscoil Luimnigh -**

**Income & Expenditure Account
For the year ended 30 September 2006**

	Note	2006 Euro	2005 Euro As Restated
INCOME			
Grants	1	10,868,950	9,414,148
Capital Grant – Building Development		6,909,943	1,043,344
Student Fees	2	10,781,008	9,382,186
Other Income	3	787,015	581,925
Research and Self Funding Programmes	9(c-e)	1,337,122	622,594
Net Deferred funding for Pensions	13(b)	4,485,933	4,337,507
Total Income		<hr/> 35,169,971	<hr/> 25,381,704
Transfer (to)/ from Capital Account	10	(6,043,927)	(293,930)
Transfer (to) Development Reserve	11	(430,836)	(122,756)
Transfer (to) Accommodation Reserve	12	<hr/> (268,681)	<hr/> (300,411)
		28,426,527	24,664,607
EXPENDITURE			
Operating Expenditure	4	(21, 122,576)	(18,735,806)
Pension Costs	13(c)	(5,415,528)	(4,941,615)
Research and Self Funding Programmes	9(c-e)	<hr/> (1,337,122)	<hr/> (622,594)
Surplus for year		551,301	364,592
Opening Balance		<hr/> 357,283	<hr/> (7,309)
Balance at 30 September		<hr/> <u>908,584</u>	<hr/> <u>357,283</u>

The accounting policies on pages 8 and 9 and the notes 1 to 17 form part of these financial statements.

On behalf of An Bord Rialaithe

Peadar Cremin
President

John Coady
Vice President Administration & Finance

Date: 9th December 2009

**Coláiste Mhuire gan Smál
- Ollscoil Luimnigh -**

**Statement of Total Recognised Gains and Losses
For the year ended 30 September 2006**

	Note	2006 Euro	2005 Euro
Surplus for the year		551,301	364,592
Experience (losses)/ gains arising on the Pension Scheme		(2,622,000)	(900,000)
Changes in Assumptions underlying the present Value of pension scheme liabilities		0	0
Actuarial (loss)/gain on Pension Liabilities	13(f)	(2,622,000)	(900,000)
Adjustments to Deferred Pension Funding		2,622,000	900,000
TOTAL RECOGNISED (LOSSES)/GAINS		551,301	364,592

The accounting policies on pages 8 and 9 and the notes 1 to 17 form part of these Financial Statements.

On behalf of An Bord Rialaithe

Peadar Cremin
President

John Coady
Vice President Administration & Finance

Date: 9th December 2009

**Coláiste Mhuire gan Smál
- Ollscoil Luimnigh -**

Balance Sheet at 30 September 2006

	Note	2006 Euro	2005 Euro As Restated
Fixed Assets			
Tangible Assets	6	36,404,751	30,367,138
Current Assets			
Debtors	8	3,535,030	1,602,352
Cash at Bank and in Hand	14b	782,286	4,882,113
Term Deposits	14b	5,640,161	3,819,017
		9,957,477	10,303,482
Creditors (Amounts falling Due within one year)	9(a)	(7,115,914)	(8,712,648)
Net Current Assets		2,841,563	1,590,834
Total Assets Less Current Liabilities		39,246,314	31,957,972
Creditors (Amounts falling Due after more than one year)	9(f)	(7,856)	(14,259)
Total Assets Less Liabilities Before Pensions		39,238,458	31,943,713
Deferred Funding Asset for Pensions	13(e)	65,500,000	58,400,000
Pension Liabilities	13(e)	(65,500,000)	(58,400,000)
Total Assets		39,238,458	31,943,713
Represented By:			
Capital and Reserves			
Capital Reserve	10	36,389,343	30,345,416
Development Reserve	11	1,315,859	885,023
Accommodation Reserve	12	624,672	355,991
Income and Expenditure Account		908,584	357,283
		39,238,458	31,943,713

The accounting policies on pages 8 and 9 and the notes 1 to 17 form part of these Financial Statements.

On behalf of An Bord Rialaithe

Peadar Cremin
President

John Coady
Vice President Administration & Finance

Date: 9th December 2009

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Cash Flow Statement for the year ended 30 September 2006

Reconciliation of operating surplus to net		2006	2005
Cash inflow from operating activities	Note	Euro	Euro
Surplus for year		551,301	364,592
Depreciation		1,179,963	1,059,247
Finance lease interest		3,777	3,194
Interest Received		(209,929)	(141,958)
Transfer to Capital Reserve	10	6,043,927	293,930
Transfer to Development Reserve	11	430,836	122,756
Transfer to Accommodation Reserve	12	268,681	300,411
(Surplus)/Deficit on Disposal of Fixed Assets		(3,456)	7,915
Decrease in Stocks		0	10,808
(Increase) in Debtors		(1,932,678)	(152,341)
(Decrease)/Increase in Creditors		(1,596,825)	2,377,054
		<hr/>	<hr/>
Net cash inflow from operating activities		<u><u>4,735,597</u></u>	<u><u>4,245,608</u></u>
 CASH FLOW STATEMENT			
Net cash inflow from operating activities		4,735,597	4,245,608
Returns on Investments and Servicing of Finance	15	206,152	138,764
Capital Expenditure			
Payments to Acquire tangible Fixed Assets		(7,221,970)	(1,371,746)
Proceeds on Disposal of Fixed Assets		7,850	5,639
		<hr/>	<hr/>
Cash inflow/(outflow) before use of Liquid Resources and Financing		(2,272,371)	3,018,265
Management of Liquid Resources	14b	(1,821,144)	(70,578)
Financing			
Leased Asset		0	23,300
Capital element of finance lease repayments		(6,312)	(18,285)
		<hr/>	<hr/>
Increase/(Decrease) in Cash	14b	<u><u>(4,099,827)</u></u>	<u><u>2,952,702</u></u>

The accounting policies on pages 8 and 9 and the notes 1 to 17 form part of these financial statements.

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Notes to the Financial Statements for the year ended 30 September 2006

1. Grants	Note	2006 Euro	2005 Euro
Recurrent Grant		6,717,000	6,276,750
Targeted Funding – for Strategic Initiatives*	9b	907,148	596,689
Targeted Funding – Increased Numbers		2,470,570	2,148,075
Pay related Grants		583,665	270,085
Supplementary Grant		39,000	15,000
Building Development Grant - Private		0	7,573
Capital Grant – Gerard House		0	280
ESF Access/Disability Grants	(a)	96,867	10,996
IRCHSS Scholarship	(b)	54,700	88,700
		10,868,950	9,414,148
Capital Grant- Building Development		6,909,943	1,043,344
		17,778,893	10,457,492

* In line with the accounting policy, income is brought to account in line with the related expenditure. The total amount allocated by the HEA for the year was €771,285 (2005: €799,000)

- (a) Student Access and Disability Grants received during the year ended 30th September 2006 were funded by the Department of Education and Science with assistance from the European Social Fund.
- (b) Staff and student Research scholarships from Irish Research Council for the Humanities and Social Sciences

2 Student Fee Income		2006 Euro	2005 Euro
Student Fees			
Under Graduate	(a)	7,867,669	6,783,458
Post Graduates		1,017,016	936,089
Student Service Charge	(b)	1,771,084	1,575,216
		10,655,769	9,294,763
Other Fees		125,239	87,423
Total Fees		10,781,008	9,382,186

- (a) €7,487,394 of this amount was received from HEA (2005: €6,445,473), the balance was paid by individual students.
- (b) Full time students pay an annual student registration charge which was set at €775 for the 2005/06 Academic Year. By direction of the Department of Education and Science, €250 of each charge is retained by the institution and applied to meet recurrent expenditure. This amounted to €568,750 in the year under review. The balance has been used to provide part of the costs of registration, examinations and student facilities.

This represents fees from 2,275 Undergraduate and 418 Post-Graduate students

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Notes to the Financial Statements for the year ended 30 September 2006

3. Net Other Income

The Net Income of the College arose as follows:

	Interest €	Residence €	Catering €	Rental & Other Income €	In-service Remedial & other Self Funding Courses €	Total 2006 €	Total 2005 €
Income	209,929	609,582	0	746,137	103,851	1,669,499	2,032,720
<u>Expenditure</u>							
Staff Costs	--	179,082		122,812	38,020	*(339,914)	(685,622)
Expenditure/Overheads	--	171,253		305,486	65,831	(542,570)	(765,173)
Total Expenditure	--	350,335	0	428,298	103,851	(882,484)	(1,450,795)
Surplus/(Deficit) 30/09/2006	<u>209,929</u>	<u>259,247</u>	<u>0</u>	<u>317,839</u>	<u>0</u>	<u>787,015</u>	<u>581,925</u>
Surplus/(Deficit) 30/09/2005	<u>141,958</u>	<u>300,411</u>	<u>(19,691)</u>	<u>159,216</u>	<u>31</u>	<u>581,925</u>	<u>546,068</u>

*This represents pay costs for an average of 8 employees –Catering function was outsourced from 1st September 2005.

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Notes to the Financial Statements for the year ended 30 September 2006

4. Operating Expenditure	2006	2005
	Euro	Euro
Academic Departments		
Academic Staff Costs	10,051,211	8,939,601
Technical Staff Costs	150,615	141,149
Teaching Practice Travel Costs	265,897	226,188
Administration/Secretarial/Research Staff Costs	529,909	463,857
Departmental Materials and Expenses	<u>1,921,842</u>	<u>1,606,721</u>
	<u>12,919,474</u>	<u>11,377,516</u>
Library Services		
Staff Costs	639,064	594,328
Books	356,460	273,410
Sundry	<u>139,534</u>	<u>103,335</u>
	<u>1,135,058</u>	<u>971,073</u>
Information Technology		
Staff Costs	236,281	231,885
Computer Maintenance and Sundry	<u>144,045</u>	<u>114,014</u>
	<u>380,326</u>	<u>345,899</u>
Placement Office		
Staff Costs	133,942	95,756
Off Campus Education & External Affairs	<u>12,652</u>	<u>13,152</u>
	<u>146,594</u>	<u>108,908</u>
Administration		
Staff Costs	1,205,280	1,205,758
Postage, Printing & Stationery	5,295	1,937
Health Promoting Costs	29,994	31,909
Professional Fees	73,698	79,692
Audit Fees	19,500	17,070
Procurement Costs	17,998	4,174
Staff Development	104,528	69,611
Sundry	<u>166,251</u>	<u>189,243</u>
	<u>1,622,544</u>	<u>1,599,394</u>
Carried Forward	16,203,996	14,402,970

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Notes to the Financial Statements for the year ended 30 September 2006

	Note	2006 Euro	2005 Euro
Brought Forward		16,203,996	14,402,970
Premises Upkeep and Overheads			
Staff Costs		510,067	505,638
Cleaning		113,700	87,950
Insurance and Rates		149,434	126,564
Electricity		206,215	174,715
Fuel, Gas, Oil		133,445	83,023
Maintenance		420,179	519,652
Security		178,427	163,692
Telephone		9,251	24,639
Minor Works – General Works		108,668	63,288
Health & Safety		16,672	51,679
Sundry		17,015	15,767
		<u>1,863,073</u>	<u>1,816,607</u>
Student Facilities			
Staff Costs		797,948	661,091
Subvention to Students Union		300,829	223,402
Sports Facilities		58,719	70,901
Medical & Counseling Expenses		132,835	111,970
Sundry		245,275	85,697
		<u>1,535,606</u>	<u>1,153,061</u>
General Education and Miscellaneous			
University Accreditation and Examination		202,454	156,797
Scholarships, Prizes		47,841	31,427
Public Relations		84,620	109,281
Financial Charges		5,023	6,596
		<u>339,938</u>	<u>304,101</u>
Depreciation	6	<u>1,179,963</u>	<u>1,059,247</u>
		<u>21,122,576</u>	<u>18,735,806</u>
Summary of Operating Expenses			
Pay Costs* √		14,234,317	12,839,063
Non-Pay Costs		6,888,259	5,896,743
		<u>21,122,576</u>	<u>18,735,806</u>

*This represents an average of 225 employees.

√ Includes employees pension contribution €684,472(2005: €658,385)

5. Taxation

The College is a registered charity and it therefore has taxation exempt status.

**Coláiste Mhuire gan Smál
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Notes to the Financial Statements for the year ended 30 September 2006

		Land & Buildings	Prefabs Post 1998	Furniture & Fittings	Catering & Garden Equipment	Computer Office Equipment	Teaching Equipment	Motor Vehicle	Total
6. Fixed Assets									
01-Oct-2005	€	42,131,129	534,213	1,178,675	210,022	3,198,831	2,072,618	62,262	49,387,750
Additions	€	6,909,943		17,372	23,055	212,601	36,549	22,450	7,221,970
Disposals	€					(147,065)		(19,602)	(166,667)
30-Sep-06	€	49,041,072	534,213	1,196,047	233,077	3,264,367	2,109,167	65,110	56,443,053
Accumulated Depreciation									
01-Oct-2005	€	12,593,383	320,438	1,066,802	183,795	2,776,225	2,021,629	58,340	19,020,612
Charge	€	776,749	53,421	24,615	8,120	274,568	38,001	4,489	1,179,963
On Disposals	€					(146,592)		(15,681)	(162,273)
30-Sep-06	€	13,370,132	373,859	1,091,417	191,915	2,904,201	2,059,630	47,148	20,038,302
Net Book Value									
30-Sep-06	€	35,670,940	160,354	104,630	41,162	360,166	49,537	17,962	36,404,751
30-Sep-05	€	29,537,746	213,775	111,873	26,227	422,606	50,989	3,922	30,367,138

Land is valued at €38,092 an acre. A professional valuation of buildings was carried out in April 2001. Buildings were valued at €35,500,608. Subsequent additions are included at cost.

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Notes to the Financial Statements for the year ended 30 September 2006

7. Investment in Leased Assets

Included in the schedule of tangible fixed assets set out in Note 6 above are the following assets held under finance leases:

	2006	2005
	Euro	Euro
Net Book Value	11,650	17,475

8 Debtors

. Amounts falling due within one year

	2006	2005
	Euro	Euro
HEA and State Debtor	2,075,355	230,258
Capital Grant Due	830,888	591,577
Wired FM Community Radio (i)	70,127	123,609
Other Debtors and Prepayments	558,660	656,908
	3,535,030	1,602,352

(i) The College has provided administrative and financial support to Wired FM, a non-profit making community radio station operated by the students.

9. Creditors

(a) Amounts falling due within one year

	2006	2005
	Euro	Euro
Trade Creditors	373,746	342,696
Lease Creditor	10,091	10,001
Student Fees Prepaid	2,202,753	2,074,259
Payroll Taxes	394,696	346,018
Staff Costs	681,549	549,817
Professional Fees – Master Plan	0	591,577
Other Creditors and Accruals	1,077,650	2,544,818
<i>Deferred Income</i>		
Targeted Funding for Strategic Initiatives See 9(b)	1,208,509	1,344,372
Self Funded Projects - See 9(c)	567,445	249,741
Research Projects – See 9(d)	284,979	319,590
Non-Core Courses – See 9 (e)	314,496	339,759
	7,115,914	8,712,648

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Notes to the Financial Statements for the year ended 30 September 2006

	2006	2005
	Euro	Euro
(b) Targeted Funding for Strategic Initiatives		
Opening Balance	1,344,372	1,142,061
Amount Received from HEA	771,285	799,000
Less Expenditure	(907,148)	(596,689)
	<u>1,208,509</u>	<u>1,344,372</u>
(c) Self Funded Projects		
Opening Balance	249,741	174,071
Amount Received	825,352	436,023
Less Expenditure*	<u>(507,648)</u>	<u>(360,353)</u>
	<u>567,445</u>	<u>249,741</u>
(d) Research Projects		
	2006	2005
	Euro	Euro
Opening Balance	319,590	269,832
Amount Received	340,841	269,652
Less Expenditure*	(375,452)	(219,894)
	<u>284,979</u>	<u>319,590</u>
(e) Non – Core Courses		
	2006	2005
	Euro	Euro
Opening Balance	339,759	181,418
Amount Received	428,759	200,688
Less Expenditure*	(454,022)	(42,347)
	<u>314,495</u>	<u>339,759</u>
	=====	=====
*Total Expenditure (c) to (e) above	1,337,122	622,594
	=====	=====
(f) Amounts falling due after more than one year		
Lease Creditor	5,317	11,720
Scholarship Fund	2,539	2,539
	<u>7,856</u>	<u>14,259</u>

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Notes to the Financial Statements for the year ended 30 September 2006

10. Capital Reserves	2006 Euro	2005 Euro
Balance at 1 October	30,345,416	30,051,486
	<hr/>	<hr/>
Funds allocated to acquire Fixed Assets	7,221,970	1,371,746
Disposals	(166,667)	(181,263)
New Lease	0	(23,300)
Capital element of Finance Lease	6,314	18,285
repayment	(1,179,963)	(1,059,247)
Amortization in line with Depreciation	162,273	167,709
Depreciation on Disposals		
	<hr/>	<hr/>
Transfer from/(to) Income and Expenditure Account	6,043,927	293,930
	<hr/>	<hr/>
Balance at 30 September	<u>36,389,343</u>	<u>30,345,416</u>
11. Development Reserve	2006 Euro	2005 Euro
Balance at 1 October	885,023	762,267
Library Fines	14,851	11,949
Interest	23,453	12,959
Rental, Conference or Other	392,532	97,848
	<hr/>	<hr/>
Transfer from Income and Expenditure Account	430,836	122,756
	<hr/>	<hr/>
Balance at 30 September	<u>1,315,859</u>	<u>885,023</u>
12. Accommodation Reserve	2006 Euro	2005 Euro
Balance at 1 October	355,991	55,580
Transfer from Income and Expenditure Account	268,681	300,411
	<hr/>	<hr/>
Balance at 30 September	<u>624,672</u>	<u>355,991</u>

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Notes to the Financial Statements for the year ended 30 September 2006

13. Pensions	2006	2005
	Euro	Euro
Recurrent Pensions	1,115,309	979,297
Lump Sum Payments	480,529	247,585
Irish Life Scheme	18,229	35,611
	<u>1,614,067</u>	<u>1,262,493</u>

(a) Financial Reporting Standard 17 'Retirement Benefits' Disclosures

The College operates a defined benefit superannuation scheme which is unfunded. The valuation used for FRS 17 disclosures has been based on a full actuarial valuation by a qualified independent actuary to take account of the requirements of FRS 17 in order to assess the scheme liabilities at 30 September 2006. The main financial assumptions used in the valuations were:

	2006	2005	2004
Rate of increase in salaries	4.0%	4.0%	4.0%
Rate of increase in pension payments	4.0%	4.0%	4.0%
Discount rate	5.5%	5.5%	5.5%
Inflation assumption	2.0%	2.0%	2.0%

(b) Net Deferred Funding for Pensions in year

	2006	2005
	€	€
Funding Recoverable in respect of current year		
Pension costs	5,415,528	4,941,615
State Grant Applied to pay pensioners	(1,614,067)	(1,262,493)
Employee Contributions	684,472	658,385
	<u>4,485,933</u>	<u>4,337,507</u>

(c) Analysis of total pension costs charged to Expenditure

	2006	2005
	€	€
Current Service Cost	2,900,000	2,700,000
Interest on Pension Scheme Liabilities	3,200,000	2,900,000
Employee Contributions	(684,472)	(658,385)
	<u>5,415,528</u>	<u>4,941,615</u>
Total	<u>5,415,528</u>	<u>4,941,615</u>

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Notes to the Financial Statements for the year ended 30 September 2006

(d) Deferred Funding Asset for Pensions/ Pension Liabilities

The College recognizes as an asset, an amount corresponding to the unfunded deferred liability for pensions on the basis of the set of assumptions described above and a number of past events. These events include the statutory basis for the establishment of the superannuation scheme, and the policy and practice in relation to funding public service pensions including the annual estimates process. While there is no formal agreement regarding these specific amounts with the Department of Education and Science, , the College has no evidence that this funding policy will not continue to progressively meet such sums in accordance with current practice. The deferred funding asset for pensions as at 30 September 2006 amounted to €65,5 million (2005: €58.4 million).

(e) Movement in Net Pension Liability during the financial year

	2006	2005
	€'000	€'000
Movement in (deficit) during the year		
Scheme Liability at 1 October	(58,400)	(53,100)
Movement in year:		
Past service cost	-	-
Current service cost	(2,900)	(2,700)
Pensions paid in the year	1,622	1,200
Other finance (cost)	(3,200)	(2,900)
Actuarial gain/(loss)	(2,622)	(900)
Scheme Liability at 30 September	(65,500)	(58,400)

f) History of experience gains and losses

	2006	2005
	€'000	€'000
Experience gains and losses for the year ended 30 September		
Experience gains/(losses) on schemes' liabilities	(2,622,000)	(900,000)
Percentage of schemes' liabilities	4%	2%
Total recognised in statement of total recognised gains and losses	(2,622,000)	(900,000)
Percentage of the present value of the schemes' liabilities	4%	2%

13(g) Effect of Change in Accounting Policy

The effect of the change in accounting policy arising from the introduction of accounting standard FRS 17 is to recognize the cost of pensions as expenditure in the year, rather than the payments of pensions made to retired staff, and to show a corresponding funding amount. In addition, the Balance Sheet recognizes the cumulative liability for pensions earned by staff at 30th September 2006 together with a corresponding asset, whereas previously, this liability was disclosed by note only.

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Notes to the Financial Statements for the year ended 30 September 2006

14a	Reconciliation of Net Cash Flow to Movement in Net Funds	2006 Euro	2005 Euro	
	Increase/(Decrease) in cash for year	(4,099,827)	2,952,702	
	Cash flow from management of liquid resources	1,821,144	70,578	
	Movement in Net Funds	<u>(2,278,683)</u>	<u>3,023,280</u>	
	Net Funds at 1 October	8,701,130	5,677,850	
	Net Funds at 30 September	<u><u>6,422,447</u></u>	<u><u>8,701,130</u></u>	
14b	Analysis of Net Funds	At 1 October	Cashflow	At 30 September
	Cash at Bank	4,882,113	(4,099,827)	782,286
	Term Deposits	3,819,017	1,821,144	5,640,161
	Net Funds	<u><u>8,701,130</u></u>	<u><u>(2,278,683)</u></u>	<u><u>6,422,447</u></u>
15.	Returns on Investments and Servicing Finance	2006 Euro	2005 Euro	
	Interest Received	209,929	141,958	
	Interest Element of Finance	(3,777)	(3,194)	
	Lease Repayments	<u>206,152</u>	<u>138,764</u>	

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Notes to the Financial Statements for the year ended 30 September 2006

16. Comparative Figures

The presentation of certain figures in the comparative statements has been amended in line with the current year's presentation. These amendments have no effect on the surplus for the prior year or on the closing reserves.

17. Approval of the Financial Statements

The Financial Statements were approved by An Bord Rialaithe on 30th March 2007.