

INSTITUTE OF TECHNOLOGY, SLIGO

FINANCIAL STATEMENTS FOR YEAR ENDED 31st AUGUST 2016

INSTITUTE OF TECHNOLOGY, SLIGO

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INSTITUTE OF TECHNOLOGY, SLIGO

Statement of Responsibility of the Institute

The Institutes of Technology Acts 1992 to 2006 require the Institute to prepare Financial Statements in such form as may be approved by the Higher Education Authority and to submit them for audit to the Comptroller and Auditor General. In preparing these financial statements, the Institute is required to:


- * Select suitable accounting policies and apply them consistently.
- * Make judgements and estimates that are reasonable and prudent.
- * Prepare the Financial Statements on the going concern basis, unless it is inappropriate to presume that the Institute will continue in operation.
- * Disclose and explain any material departures from applicable accounting standards.

The Institute is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Institute and which enable it to ensure that the Consolidated Financial Statements comply with the Institutes of Technology Acts 1992 to 2006.

The Institute is also responsible for safeguarding its assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Chairman 
Niall O'Donnellan

Date: 6/12/17

President 
Dr Brendan McCormack

Date: 6/12/17

INSTITUTE OF TECHNOLOGY, SLIGO

Statement on Internal Control

Responsibility for the System of Internal Control

On behalf of the Governing Body of the Institute of Technology, Sligo, we acknowledge our responsibility for ensuring that an effective system of Internal Control is maintained and operated. The system of internal controls consists of those processes used to identify, evaluate and manage the significant risks faced by the Institute in the management of its affairs.

A sound system of internal control contributes to safeguarding the interests of all relevant parties and the Institute's assets.

Internal control facilitates the effectiveness and efficiency of operations, helps ensure the reliability of internal and external reporting and assists compliance with laws and regulations.

A sound system of internal control therefore provides reasonable, but not absolute, assurance that the Institute will not be hindered in achieving its objectives, or in the orderly and legitimate conduct of its business, by circumstances which may be reasonably foreseen.

Effective financial controls, including clear delineation and separation of functions and the maintenance of proper accounting records, are an important element of internal control.

They help ensure that the Institute is not unnecessarily exposed to avoidable financial risks and that financial information used and published is reliable.

They also contribute to the safeguarding of assets, including the prevention and detection of fraud.

Key Control Procedures

The Governing Body has taken steps to ensure an appropriate control environment including:

- Clearly defined organisational and management structure with associated policies and procedures.
- An Institute Risk Management Committee which regularly reviews the risk register. Audit Committee and Governing Body receive updates and approve the risk register.
- A Finance Committee which regularly reviews financial information including actual versus budgets with updates provided to the Governing Body.
- The Institute has in place appropriate financial procedures addressing authorization limits and segregation of duties.
- Capital works management framework (CWMF) is followed by the Institute.
- An Audit Committee with defined audit charter and clear terms of reference. The committee met seven times during the academic year, to approve the audit strategy, annual audit plan and the outcome of audits undertaken. The minutes of the meetings are formally presented to the Governing Body. An annual report to the Governing Body covering the period from 1/9/2015 to 31/8/2016 was approved by the Audit Committee on 21st November 2016 and was presented to the Governing Body on the 7th December 2016 and approved by it.

INSTITUTE OF TECHNOLOGY, SLIGO

Statement on Internal Control (continued)

- The Institute operates under a national procurement agreement for Internal Audit services for the sector. In addition there is an in-house Internal Audit resource. The function reports directly to the Audit Committee. The annual audit plan is informed by discussion with management and the Audit Committee together with analysis of risk to which the Institute is exposed. The plan is approved by the Audit Committee. All findings of audits carried out are presented to the Audit Committee.
- Regular updates are provided to the Governing Body on the performance of the Institute against the Strategic Plan.
- Academic quality processes are in place for all aspects of the academic programs. These include a range of processes which include external examiners, external validation panels and both internal and external review panels at the relevant stages of the academic quality cycle.

Internal Control Assurance Review 2015/16

The Governing Body's monitoring and review of the effectiveness of the system of internal control is informed by:

- the work of the Audit Committee which oversees the work of internal audit,
- executive managers who have responsibility for the development and maintenance of the internal control framework, and
- the recommendations made by the Comptroller and Auditor General in management letter(s) or other reports.

The internal controls framework provides a structured and methodical approach to the review of, and testing of controls in place across IT Sligo. The internal audit plan ensures that all areas of the framework are reviewed on a cyclical basis over a number of years.

At least once annually the internal auditors Price Waterhouse Coopers provide the Audit Committee with a verbal report of internal audit activity.

Annual Review of the effectiveness of the system of Internal Controls

The Governing Body carried out a review of the effectiveness of the system of internal control for the year-ended 31 August 2016 at its meeting on the 7th December 2016. This review included assurances from a range of sources across the Institute including the work carried out by the Internal Audit function as set out below.

2015/16 Internal Audit Reports

In the year 2015/16, the following reviews were carried out with reports presented to the Audit Committee:

- IT Systems Security & Controls Review
- Review of Compliance with Financial Aspects of the Internal Control Framework
- Review of Risk Management Activities.

INSTITUTE OF TECHNOLOGY, SLIGO

Statement on Internal Control (continued)

Weaknesses in Internal control

Weaknesses identified by external audit, internal audit or internal reviews are documented with actions to address same and responsible individuals identified. Follow up reviews are carried out and reported to the Audit Committee and Governing Body.

Matters of non-compliance and weaknesses in internal control

The Governing Body believes it is in compliance with the HEA requirements regarding the Annual Governance Statement and the Statement of Internal Control as per the letter from the HEA dated 30 July 2015 and no material breaches of internal control have occurred during the year.

The Institute acknowledges a lack of progress in addressing fixed asset register weaknesses identified over several recent audits and has recently appointed a full time Fixed Asset Management Officer to address recurring weaknesses.

Signed on behalf of the Governing Body of the Institute of Technology, Sligo:

Chairman 
Niall O'Donnellan

Date: 6/12/17

President 
Dr Brendan McCormack

Date: 6/12/17



Institute of Technology Sligo

I have audited the financial statements of the Institute of Technology Sligo for the year ended 31 August 2016 under the Institutes of Technology Acts 1992 to 2006. The financial statements comprise the consolidated and institute statement of income and expenditure, the consolidated statement of changes in reserves and capital account, the consolidated and institute statement of financial position, the consolidated statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is the Institutes of Technology Acts 1992 to 2006 and generally accepted accounting practice.

Responsibilities of the Institute

The Institute is responsible for the preparation of the financial statements, for ensuring that they give a true and fair view and for ensuring the regularity of transactions.

Responsibilities of the Comptroller and Auditor General

My responsibility is to audit the financial statements and report on them in accordance with applicable law.

My audit is conducted by reference to the special considerations which attach to bodies in receipt of substantial funding from the State in relation to their management and operation.

My audit is carried out in accordance with the International Standards on Auditing (UK and Ireland) and in compliance with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements, sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of

- whether the accounting policies are appropriate to the Institute's circumstances, and have been consistently applied and adequately disclosed
- the reasonableness of significant accounting estimates made in the preparation of the financial statements, and
- the overall presentation of the financial statements.

I also seek to obtain evidence about the regularity of financial transactions in the course of audit.

Opinion on the financial statements

In my opinion, the financial statements

- give a true and fair view of the assets, liabilities and financial position of the Group and Institute as at 31 August 2016 and of the Group's income and expenditure for the year then ended; and
- have been properly prepared in accordance with generally accepted accounting practice.

In my opinion, the accounting records of the Institute were sufficient to permit the financial statements to be readily and properly audited. The financial statements are in agreement with the accounting records.

Emphasis of matter – future pension arrangements

Without qualifying my opinion on the financial statements, I draw attention to Note 1g Employee Benefits.

Employees of the Institute are members of two defined benefit pension schemes: the Single Public Service Pension Scheme and the Education Sector Superannuation Scheme 2015. The Institute has not provided in these financial statements for the cost of future benefits that have accrued to staff members under the schemes.

The Single Scheme applies to Institute staff that joined the public sector as new entrants on or after 1 January 2013. The Institute is prescribed in legislation as a relevant authority for the purposes of the Scheme, and is liable to meet future pension payments. The Scheme states that Oireachtas funding will be provided to meet such obligations.

Employees recruited to the Institute before 1 January 2013 became members of the Education Sector Superannuation Scheme 2015. This provides that the payment of Scheme benefits is a function of the Institute. In reality, however, the payment and funding mechanisms have remained unchanged since the introduction of the Scheme i.e. pension payments continue to be funded directly under Vote 26 Education and Skills and are paid on the Department's behalf by the Payroll Shared Services Centre, on an agency basis.


The Department of Education and Skills is seeking legal advice in relation to where the responsibility lies for pension liabilities under the 2015 Scheme.

Matters on which I report by exception

I report by exception if I have not received all the information and explanations I required for my audit, or if I find

- any material instance where money has not been applied for the purposes intended or where the transactions did not conform to the authorities governing them, or
- the statement on internal control does not reflect the Institute's compliance with the Code of Governance of Irish Institutes of Technology, or
- there are other material matters relating to the manner in which public business has been conducted.

I have nothing to report in regard to those matters upon which reporting is by exception.



Seamus McCarthy
Comptroller and Auditor General

11 December 2017

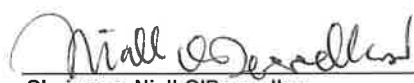
INSTITUTE OF TECHNOLOGY, SLIGO

Consolidated and Institute Statement of Income and Expenditure Year ended 31 August 2016

	Note	Consolidated 31/08/16 €000's	Institute 31/08/16 €000's	Restated Consolidated 31/08/15 €000's	Restated Institute 31/08/15 €000's
Income					
State Grants	3	18,034	18,034	17,948	17,948
Tuition Fees	4	18,865	18,865	18,722	18,722
Research Grants & Contracts	5	1,648	1,648	2,103	2,103
Student Support Funding	7	260	260	220	220
Other Income	8	1,915	2,009	2,658	2,554
Amortisation of Deferred Capital Grants	18	2,901	2,901	2,894	2,894
Interest Income		55	55	163	163
Total Income		43,678	43,772	44,708	44,604
Expenditure					
Staff costs	9	29,038	29,047	28,357	28,357
Other Operating Expenses	10	10,447	10,609	11,439	11,230
Depreciation	13	2,909	2,902	2,901	2,895
Total Expenditure		42,394	42,558	42,697	42,482
Surplus before tax		1,284	1,214	2,011	2,122
Taxation	11	-	-	-	-
Surplus for the year before appropriations	12	1,284	1,214	2,011	2,122
Transfer to Capital Development Reserve		-	-	(7,500)	(7,500)
Surplus/ (Deficit) for the year after appropriations		1,284	1,214	(5,489)	(5,378)

The Consolidated Statement of Income and Expenditure includes all gains and losses recognised in the year.
Notes 1 to 26 form part of these financial statements.

Signed on behalf of the Governing Body:


Chairman, Niall O'Donnellan

6/12/17
Date


President, Dr Brendan McCormack

6/12/17
Date

INSTITUTE OF TECHNOLOGY, SLIGO
**Institute Statement of Changes in Reserves and Capital Account
Year ended 31 August 2016**

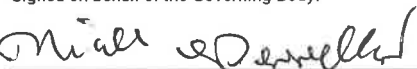
	Note 18 Def Cap Grants €000's	Note 19 Cap Dev Res €000's	I&E Rev Res €000's	Total €000's
Opening Balance at 1 September 2014	76,019	3,048	14,005	93,072
Surplus for the year before appropriations	-	-	2,122	2,122
Amortisation of Deferred Capital Grants	(2,894)	-	-	(2,894)
Restatement of Fixed Assets	-	-	-	-
State Grant Allocated to Capital	1,063	-	-	1,063
State Capital Grants	(67)	-	-	(67)
Other Capital Grants	141	-	-	141
Disposals of assets	-	-	-	-
Transfer to Capital Development Reserve	-	7,500	(7,500)	-
Transfer from Capital Development Reserve to Deferred Capital Grants	1,810	(1,810)	-	-
Movement for the Period	53	5,690	(5,378)	365
Balance at 31 August 2015	76,072	8,738	8,627	93,437
Surplus for the year before appropriations	-	-	1,214	1,214
Amortisation of Deferred Capital Grants	(2,901)	-	-	(2,901)
Restatement of Fixed Assets	-	-	-	-
State Grant Allocated to Capital	450	-	-	450
State Capital Grants	2,191	-	-	2,191
Other Capital Grants	306	-	-	306
Transfer to Capital Development Reserve	-	-	-	-
Transfer from Capital Development Reserve to Deferred Capital Grants	144	(144)	-	-
Movement for the Period	190	(144)	1,214	1,260
Balance at 31 August 2016	76,262	8,594	9,841	94,697

**Consolidated Statement of Changes in Reserves and Capital Account
Year ended 31 August 2016**

	Restated Deferred Capital Grants €000's	Restated Capital Development Reserve €000's	Restated Revenue Reserves €000's	Total €000's
Opening Balance at 1 September 2014	76,019	3,048	14,278	93,345
Institute surplus for the year before appropriations	-	-	2,122	2,122
Deficit for the year - Subsidiary Co	-	-	(111)	(111)
Amortisation of Deferred Capital Grants	(2,894)	-	-	(2,894)
Restatement of Fixed Assets	-	-	-	-
State Grant Allocated to Capital	1,063	-	-	1,063
State Capital Grants	(67)	-	-	(67)
Other Capital Grants	141	-	-	141
Transfer to Capital Development Reserve	-	7,500	(7,500)	-
Transfer from Capital Development Reserve to Deferred Capital Grants	1,810	(1,810)	-	-
Movement for the Period	53	5,690	(5,489)	254
Balance at 31 August 2015	76,072	8,738	8,789	93,599
Institute surplus for the year before appropriations	-	-	1,214	1,214
Surplus for the year - Subsidiary Co	-	-	70	70
Amortisation of Deferred Capital Grants	(2,901)	-	-	(2,901)
Restatement of Fixed Assets	-	-	-	-
Subsidiary Co Depreciation	-	-	-	-
State Grant Allocated to Capital	450	-	-	450
State Capital Grants	2,191	-	-	2,191
Other Capital Grants	306	-	-	306
Transfer to Capital Development Reserve	-	-	-	-
Transfer from Capital Development Reserve to Deferred Capital Grants	144	(144)	-	-
Movement for the Period	190	(144)	1,284	1,330
Balance at 31 August 2016	76,262	8,594	10,073	94,929

Notes 1 to 26 form part of these financial statements.

Signed on behalf of the Governing Body:



 Chairman, Niall O'Donnellan

 6/12/17
 Date



 President, Dr Brendan McCormack

 6/12/17
 Date


INSTITUTE OF TECHNOLOGY, SLIGO

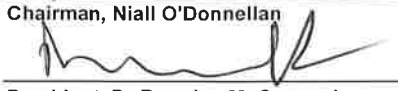
Consolidated and Institute Statement of Financial Position Year ended 31 August 2016

	Note	Consolidated 31/08/16 €000's	Institute 31/08/16 €000's	Restated Consolidated 31/08/15 €000's	Restated Institute 31/08/15 €000's
Fixed Assets					
Property, Plant & Equipment	13	76,304	76,266	76,115	76,076
Investments	14	-	-	-	-
		<u>76,304</u>	<u>76,266</u>	<u>76,115</u>	<u>76,076</u>
Current Assets					
Receivables	15	2,584	3,431	1,417	1,669
Cash and Cash Equivalents	16	23,150	22,394	21,556	21,027
		<u>25,734</u>	<u>25,825</u>	<u>22,973</u>	<u>22,696</u>
Less Payables ; Amounts due within 1 year	17	(7,109)	(7,394)	(5,489)	(5,335)
Net Current Assets		<u>18,625</u>	<u>18,431</u>	<u>17,484</u>	<u>17,361</u>
Total Assets less Current Liabilities		<u>94,929</u>	<u>94,697</u>	<u>93,599</u>	<u>93,437</u>
Total Net Assets		<u>94,929</u>	<u>94,697</u>	<u>93,599</u>	<u>93,437</u>
Deferred Capital Grants	18	76,262	76,262	76,072	76,072
Capital Development Reserve	19	8,594	8,594	8,738	8,738
		8,594	8,594	8,738	8,738
Unrestricted Reserves					
Income & Expenditure Reserve		10,073	9,841	8,789	8,627
		10,073	9,841	8,789	8,627
Total		<u>94,929</u>	<u>94,697</u>	<u>93,599</u>	<u>93,437</u>

Notes 1 to 26 form part of these financial statements.

Signed on behalf of the Governing Body:

 6/12/17
Chairman, Niall O'Donnellan

 6/12/17
President, Dr Brendan McCormack

INSTITUTE OF TECHNOLOGY, SLIGO

Consolidated Statement of Cash Flows Year ended 31 August 2016

	Year Ended 31/08/16 €000's	Restated Year Ended 31/08/15 €000's
Net Cash flow from operating activities		
Excess income over expenditure	1,284	2,011
Depreciation of fixed assets	2,909	2,901
Amortisation of deferred capital grants	(2,901)	(2,894)
(Increase)/Decrease in receivables	(1,171)	561
Increase/(Decrease) in payables	1,723	(298)
Interest Income	(55)	(163)
State funds allocated to capital	2,641	996
Research funds allocated to capital	306	141
Net Cash Inflow from Operating Activities	4,736	3,255
Cash Flows from Investing Activities		
Payments to acquire property, plant & equipment	(3,201)	(3,012)
Net Cash Flows from Investing Activities	(3,201)	(3,012)
Cash Flows from Financing activities		
Interest Received	59	206
Net Cash Flows from Financing Activities	59	206
Net Increase in cash equivalents in the year	1,594	449
Cash & Cash Equivalents at beginning of year	21,556	21,107
Cash & Cash Equivalents at end of year	23,150	21,556

Notes 1 to 26 form part of these financial statements.


Signed on behalf of the Governing Body:

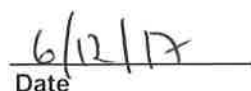


Chairman, Niall O'Donnellan



President, Dr Brendan McCormack


Date


Date

**Notes to the Financial Statements
For the year ended 31 August 2016**

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 statement of compliance

The primary objectives of the institute are to provide third level education and other associated services.

The 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 promulgated for use in Ireland by Chartered Accountants Ireland and with the requirements of the Higher Education Authority.

The prior year financial statements were restated for material adjustments on adoption of FRS 102 in the current year. For more information see note 24.

The functional currency of Institute of Technology, Sligo under FRS102 is considered to be Euro because that is the currency of the primary economic environment in which the Institute operates. The consolidated financial statements are also presented in Euro. The date of transition to FRS 102 is 1 September 2014.

b. Basis of consolidation

The Group financial statements consolidate the financial statements of the Institute and its subsidiary undertakings made up to 31 August 2016.

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

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.

c. Property, plant & equipment

(i) Land and buildings

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

Freehold buildings	50 years
Leased Land & Buildings	Over the term of the lease

Notes to the Financial Statements – (continued)
For the year ended 31 August 2016

1. Significant accounting policies (continued)

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.

(ii) Equipment

From 1 September 2008, equipment costing less than €3,000 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:

Fixtures & Fittings including Prefabs	10 years
Computer equipment	3 years
Plant & Machinery	10 years
Equipment	5 years
Motor Vehicles	5 years

All equipment funded from Research Grants and Contracts is depreciated over the life of the assets in line with the policy for all other Fixed Assets.

d. Impairment of assets

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

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 impaired 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.

1. Significant accounting policies (continued)

e. Taxation

(i) Corporation tax

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

(ii) Deferred taxation

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

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

f. Recognition of income

State Grants

Recurrent state grants from the Higher Education Authority and other bodies are recognised in the period in which they are receivable. Non Recurrent Grants from the Higher Education Authority or other bodies received in respect of the acquisition or construction of Fixed Assets are treated as deferred Capital Grants and amortised in line with the depreciation over the life of the assets.

Fee Income

Fee income is accounted for on an accruals basis.

1. Significant accounting policies (continued)

Research grants and contracts

Income from research grants and contracts is matched to expenditure and is included in the income of the year in which the related expenditure has been incurred. The most common classes of such transactions are:

(i) Donations with no restrictions

Donations with no restrictions include amounts given to the Institute 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 Income and Expenditure on entitlement to the income.

(ii) Donations with restrictions

Donations with restrictions are recorded within the Statement of Income & Expenditure on entitlement to the income. The restricted income received is held in the temporarily restricted reserve until such time that the expenditure is incurred in accordance with the restrictions.

(iii) Research grants from non-government sources

Income from grants from non-government sources is recognised in the Statement of Income and Expenditure when performance related conditions are met. If a restriction in use but no performance related condition exists, the income is recorded in the Statement of Income and Expenditure when the Institute 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 Income and Expenditure.

Grants with restrictions are recorded within the Statement of Income and Expenditure on entitlement to the income and subsequently retained within a restricted reserve until such time that the expenditure is incurred in line with the restriction.

Minor Capital Works

The Minister for Education and Skills introduced a scheme to devolve responsibility to the Institute for Summer and other Capital Works.

In all cases Minor Capital Works funding is recognised in the period received.

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.

Notes to the Financial Statements – (continued)
For the year ended 31 August 2016

1. Significant accounting policies (continued)

g. Employee benefits

(i) Retirement Benefits

All employees recruited from 1 January 2013 are members of the single public sector pension scheme and all other pension entitlements of staff are conferred under a defined benefit scheme established under the Education Sector Superannuation Scheme 2015 and pension obligations are met by the Exchequer as they arise. Deductions under the single public sector scheme are remitted to the Department of Public Expenditure and Reform.

The superannuation scheme is operated on a Pay As You Go basis and therefore superannuation deductions made from employees are retained by the Institute, as an agreed part of its funding. The Institute does not make contributions towards the scheme and has no obligations in respect of entitlements.

The Single Public Service Pension Scheme (Single Scheme) is the defined benefit pension scheme for pensionable public servants appointed on or after 1 January 2013 in accordance with the Public Service Pensions (Single Scheme and Other Provisions) Act 2012. Deductions made from employees under the Single Scheme are remitted by the Institute to the Department of Public Expenditure and Reform.

The Institute is prescribed in S.I. No 581 of 2012 as a relevant authority for the purposes of the Single Scheme. The Institute had 63 members of the Single Scheme at 31 August 2016. Future benefits accruing to Scheme members have not been provided for in these financial statements. It is the Institute's opinion (in accordance with Section 44 of the 2012 Act) that any liability in respect of the Single Scheme would be offset by an equivalent asset in respect of future State funding.

The Department of Public Expenditure and Reform is assessing the current arrangements in respect of the Single Scheme and is considering a number of options in relation to the future payment of benefits and financing of those benefits.

(ii) Short-Term Benefits

Short-term benefits such as holiday pay are recognised as an expense in the year, and benefits that are accrued at year end are included in the Payables figure in the Statement of Financial Position.

**Notes to the Financial Statements – (continued)
For the year ended 31 August 2016**

1. Significant accounting policies (continued)

h. 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 balance sheet date are reported at the rates of exchange prevailing at that date.

i. 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 profit and loss account over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals 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.

j. Deferred Capital Grants

Deferred capital grants represent unamortised value of accumulated funds allocated for fixed assets.

k. Capital Development Reserve

The capital development reserve represents funds set aside by the Institute for specified capital development purposes. Such funds arise from Student Registration Fees, non-state capital donations, banking facility fees and transfers from Revenue Reserves, in the latter case, which have had the prior approval of the Higher Education Authority, together with bank interest earned on these monies. Such funds shall be retained in the Capital Development Reserve Account provided the defined projects to which they are committed are in line with the Institute's Capital Development plan, have been approved by the Governing Body and are time phased and with estimates of costs.

INSTITUTE OF TECHNOLOGY, SLIGO

Notes to the Financial statements - (Continued)
Year ended 31 August 2016

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Institute's accounting policies, which are described in note 1, the Governing Body 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 periods.

Critical judgements in applying the Institute's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the Governing Body has made in the process of applying the Institute's accounting policies and that have the most significant effect on the amounts recognised in the financial statements : Depreciation rates, potential impairment of assets and the recoverability of bad debts.

3 State Grants

	Allocated for Recurrent Expenditure €000's	Allocated for Capital Expenditure €000's	2016 Total €000's	Restated 2015 Total €000's
Recurrent Expenditure - Higher Education Authority (note 6)	18,042	450	18,492	18,261
Devolved Grant	(8)	758	750	750
Capital Expenditure - Higher Education Authority	-	1,433	1,433	-
Total 2016	18,034	2,641	20,675	19,011
Total 2015	17,948	1,063	19,011	

4 Tuition Fees and Student Contribution

	2016 Students WTE	2016 State Funded	2016 Non State Funded	2016 Total €000's	2015 Students WTE	2015 State Funded	2015 Non State Funded	2015 Total €000's
Fees paid by State	3,325	1,743	-	1,743	3,433	2,067	-	2,067
Non EU Fees	121	-	721	721	165	-	826	826
Fees paid by students or on behalf of Students	284	-	132	132	103	-	312	312
Life Long Learning and other fees	963	1,066	4,289	5,355	903	1,019	4,212	5,231
Student Contribution inc repeat exam fees		6,844	4,070	10,914	-	6,113	4,173	10,286
Student Numbers / Net Fee Income	4,693	9,653	9,212	18,865	4,604	9,199	9,523	18,722

The Higher Education Authority paid tuition fees in the year of €1,312,507 for full-time Degree courses, and €429,750 for Higher Certificate and Ordinary Degree courses, the total costs of which are part funded by the European Social Fund.

Student numbers are stated as wholtime equivalents, based on enrolled credits.

INSTITUTE OF TECHNOLOGY, SLIGO

Notes to the Financial statements - (Continued)
Year ended 31 August 2016

5 Research Grants & Contracts	2016	2015
	Total €000's	Total €000's
Income		
State & semi state (Note 6)	1,260	1,647
European Union	414	431
Industry	149	148
Institutes of Technology Ireland	128	16
Other	3	2
Capital Expenditure	(306)	(141)
Total Income	1,648	2,103
Expenditure		
Pay Costs	1,190	1,117
Non Pay Costs	721	1,214
Capital Expenditure	-	-
Total Costs	1,911	2,331
Net Outcome	(263)	(228)

6 Analysis of State Derived Income.

Name of Grantor	Op Debtor 01/09/15	Grant received	CL Deferral 31/08/16	I&E 2016
Note 3 - State Grant				
Higher Education Authority	(85)	18,794	(217)	18,492
Allocated for Capital Expenditure		(450)		(450)
Total State Income	(85)	18,344	(217)	18,042
Note 4 - Tuition Fees & Student Contribution				
Higher Education Authority	-	2,809	-	2,809
Student Universal Support Ireland	-	6,844	-	6,844
Total State Income	-	9,653	-	9,653
Note 5 - Research & Contracts				
Dept of Agriculture & Marine	16	5	(8)	13
Dublin City University	19	0	(2)	17
Enterprise Ireland	0	863	(671)	192
Environmental Protection Agency	(4)	117	(17)	96
Higher Education Authority	455	181	(88)	548
Heritage Council	0	0	3	3
Irish Research Council	1	22	(1)	22
Marine Institute	0	23	(4)	19
National Parks and Wildlife	21	0	0	21
National Digital Learning Repository	2	0	0	2
Science Foundation Ireland	15	113	(2)	126
Sligo Hospital Oncology Unit Trust	0	10	0	10
Solas	4	0	0	4
Teagasc	38	70	(4)	104
University of Limerick	19	55	(1)	73
Western Development Commission	0	10	0	10
Research Grants & Contracts	586	1,469	(795)	1,260
HEA	168	286	(194)	260
Student Support Funding (Note 7)	168	286	(194)	260

INSTITUTE OF TECHNOLOGY, SLIGO

Notes to the Financial statements - (Continued) Year ended 31 August 2016

7 Student Support Funding

	2016 Disabilities €000's	2016 Student Assistance €000's	2016 Total €000's	2015 Total €000's
Balance at 1 September 2015	12	156	168	130
Receipts;				
Higher Education Authority	58	228	286	263
Amounts Applied;				
Pay Costs				-
Non Pay Costs	(38)	(222)	(260)	(220)
Net Fee Income (Note 6)	32	162	194	173
Equipment				(5)
Balance at 31 August 2016	32	162	194	168

Funding is provided by the Higher Education Authority under the National Development Plan and is part funded by the European Social fund.

8 Other Income

	2016 Total €000's	2015 Total €000's
Superannuation deductions retained	1,282	1,336
Bank Concession Fee	150	150
Rental of Facilities	201	186
Sundry Income	228	695
Subsidiary Company Income	54	291
	1,915	2,658

INSTITUTE OF TECHNOLOGY, SLIGO

Notes to the financial statements - (continued) For the year ended 31 August 2016

9 Staff Costs

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

	2016 No. of employees	2015 No. of employees
Teaching and research	303	304
Technical	40	42
Central administration and services	124	119
	<u>467</u>	<u>465</u>
	2016 €'000	2015 €'000
Salaries and wages	26,717	26,109
Social welfare costs	2,223	2,137
Employer welfare costs	98	111
Campus Co	-	-
	<u>29,038</u>	<u>28,357</u>

Key management compensation

The total remuneration for key management personnel for the year 2016 totalled €159,354 (2015: €152,384).

Key management personnel in the Institute consist of the President and members of the Governing Body.

Higher paid staff

The Institute has adopted a starting value of €60,000 to identify higher paid staff. Staff remuneration, in salary bands of €10,000, using €60,000 as the starting value, is as follows:

Salary Bands	Year Ended 31 August 2016	Year Ended 31 August 2015
60,000 - 70,000	74	73
70,001 - 80,000	83	80
80,001 - 90,000	27	37
90,001 - 100,000	10	7
100,001 - 110,000	2	3
110,001 - 120,000	-	-
120,001 - 130,000	-	-
130,001 - 140,000	-	1
140,001 - 150,000	1	-
Grand Total	<u>197</u>	<u>201</u>

In 2015/16 the Institute addressed disputes involving three employees. So as to resolve the matter, upon legal advice, the Institute incurred compensation costs, and Institute and third party legal fees. These costs have been provided for in the accounts, in Staff costs and Legal fees respectively.

INSTITUTE OF TECHNOLOGY, SLIGO

Notes to the Financial statements - (Continued)
Year ended 31 August 2016

10 Other Operating Expenses

	2016	2016	2016	2016	2015
	Pay Costs	Depreciation	Other Operating	Total	Total
	€000's	€000's	Expenses	€000's	€000's
			€000's		
Academic Departments	21,018		2,039	23,057	23,486
Academic Services	1,262		1,355	2,617	2,025
Facilities	1,048		1,983	3,031	3,077
Central Administration	3,389		2,130	5,519	5,671
General Education	427		647	1,074	951
Student Services	641		1,084	1,725	1,663
Student Support Funding	-		260	260	220
Research Grants & Contracts	1,190		721	1,911	2,331
Other	63		228	291	372
Depreciation	-	2,909	-	2,909	2,901
Total Expenditure	29,038	2,909	10,447	42,394	42,697
Total 2015	28,357	2,901	11,439	42,697	

INSTITUTE OF TECHNOLOGY, SLIGO

Notes to the Financial statements - (Continued) Year ended 31 August 2016

10. Other Operating Expenses - Continued

	Consolidated 2016 €000's	Consolidated 2015 €000's
Classroom materials	554	589
Fees payable to educational partners	610	613
Library materials	261	262
IT licensing/upgrade and maintenance	575	455
General Education	409	421
Student Services	780	1,019
Students Union and Clubs and Societies subvention	545	528
Grants to students funded by external bodies	112	140
Research costs	562	1,119
Equipment	723	360
Light and Heat	582	706
Security	218	240
Cleaning and waste disposal	503	478
Services and repairs	594	638
Rent and Rates	53	66
Water rates	49	28
Travel, subsistence, etc	550	493
Training and development	169	216
Audit Fee- Internal Audit	(23)	67
Audit Fee- C&AG	28	28
Audit Fee- Subsidiary Company	11	9
Legal Fees	142	71
Professional fees	398	444
Outsourced Services	152	146
Subscriptions to Sectoral Bodies	164	143
Communication costs	153	170
Office stationery and supplies	273	311
Advertising of courses	482	433
Staff recruitment costs	101	41
Insurance costs	177	170
Bad debt costs - Student Fees	506	1,002
Bad debt costs - Trade Debtors	9	(5)
Bad debt costs- Subsidiaries	25	38
Total Other Operating Expenses	10,447	11,439
	2016	2015
	€000's	€000's

Other Operating Expenses include,

Auditors Remuneration;		
External Audit of Institute Group	39	37
Other Services	-	-

Auditors Remuneration disclosed above excludes VAT.

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

INSTITUTE OF TECHNOLOGY, SLIGO

Notes to the financial statements - (continued)
For the year ended 31 August 2016

11 Taxation

The Institute of Technology, Sligo is exempt from Corporation Tax under a charitable status order.

12 Surplus for the year

The surplus for the year on continuing operations is made up as follows:

	2016 €'000	2015 €'000
Institute Surplus for the year	1,214	2,122
Surplus/(Deficit) generated by subsidiaries and other undertakings	70	(111)
	<u>1,284</u>	<u>2,011</u>

INSTITUTE OF TECHNOLOGY, SLIGO

Notes to the financial statements - (continued) For the year ended 31 August 2016

13. Property, Plant & Equipment Consolidated

	Land & Buildings €'000	Assets in course of construction €'000	Fixtures & fittings incl. Prefabs €'000	Computer equipment €'000	Plant & machinery €'000	Equipment €'000	Motor Vehicles €'000	Total €'000
Cost								
At 1 September 2015	92,665	-	5,138	10,647	1,984	13,098	50	123,582
Additions in year	2,339	-	40	368	0	351	-	3,098
Disposals in year			-	(21)	(57)	(9)	-	(87)
At 31 August 2016	95,004	-	5,178	10,994	1,927	13,440	50	126,593
Depreciation								
At 1 September 2015	21,206	-	3,666	9,021	1,634	11,892	48	47,467
Charge for year	1,850	-	239	303	54	461	2	2,909
Eliminated on disposals			-	(21)	(57)	(9)	-	(87)
At 31 August 2016	23,056	-	3,905	9,303	1,631	12,344	50	50,289
Net book value								
At 31 August 2016	71,948	-	1,273	1,691	296	1,096	-	76,304
At 1 September 2015	71,459	-	1,472	1,626	350	1,206	2	76,115

INSTITUTE OF TECHNOLOGY, SLIGO

Notes to the financial statements - (continued) For the year ended 31 August 2016

13. Property, Plant & Equipment - in respect of prior year Consolidated

	Land & buildings €'000	Assets in course of construction €'000	Fixtures & fittings incl. Prefabs €'000	Computer equipment €'000	Plant & machinery €'000	Equipment €'000	Motor Vehicles €'000	Total €'000
Cost								
At 1 September 2014	91,556	-	4,731	10,000	1,995	12,567	50	120,899
Additions in year	1,109	-	437	825	3	585	-	2,959
Disposals in year		-	(30)	(178)	(14)	(54)	-	(276)
At 31 August 2015	92,665	-	5,138	10,647	1,984	13,098	50	123,582
Depreciation								
At 1 September 2014	19,403	-	3,458	8,863	1,589	11,486	43	44,842
Charge for year	1,803	-	238	336	59	460	5	2,901
Eliminated on disposals			(30)	(178)	(14)	(54)		(276)
At 31 August 2015	21,206	-	3,666	9,021	1,634	11,892	48	47,467
Net book value								
At 31 August 2015	71,459	-	1,472	1,626	350	1,206	2	76,115
At 1 September 2014	72,153	-	1,273	1,137	406	1,081	7	76,057

INSTITUTE OF TECHNOLOGY, SLIGO

Notes to the financial statements - (continued) For the year ended 31 August 2016

13. Property, Plant & Equipment Institute Only

	Land and buildings	Assets in course of construction	Fixtures & fittings	Computer equipment	Plant & machinery	Equipment	Motor Vehicles	Total
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Cost								
At 1 September 2015	92,635	-	5,122	10,627	1,940	13,062	50	123,436
Additions in year	2,339	-	40	368	0	345	-	3,092
Disposals in year				(21)	(57)	(9)		(87)
At 31 August 2016	94,974	-	5,162	10,974	1,883	13,398	50	126,441
Depreciation								
At 1 September 2015	21,199	-	3,646	9,002	1,603	11,862	48	47,360
Charge for year	1,850	-	235	303	51	461	2	2,902
Eliminated on disposals				(21)	(57)	(9)		(87)
At 31 August 2016	23,049	-	3,881	9,284	1,597	12,314	50	50,175
Net book value								
At 31 August 2016	71,925	-	1,281	1,690	286	1,084	-	76,266
At 1 September 2015	71,436	-	1,476	1,625	337	1,200	2	76,076

INSTITUTE OF TECHNOLOGY, SLIGO

Notes to the financial statements - (continued) For the year ended 31 August 2016

13. Property, Plant & Equipment - in respect of prior year Institute Only

	Land and buildings €'000	Assets in course of construction €'000	Fixtures & fittings incl Prefabs €'000	Computer equipment €'000	Plant & machinery €'000	Equipment €'000	Motor Vehicles €'000	Total €'000
Cost								
At 1 September 2014	91,526	-	4,715	9,980	1,951	12,538	50	120,760
Additions in year	1,109	-	437	825	3	578	-	2,952
Disposals in year	-	-	(30)	(178)	(14)	(54)	-	(276)
At 31 August 2015	92,635	-	5,122	10,627	1,940	13,062	50	123,436
Depreciation								
At 1 September 2014	19,395	-	3,441	8,844	1,558	11,460	43	44,741
Transfers	-	-	-	-	-	-	-	-
Charge for year	1,804	-	235	336	59	456	5	2,895
Eliminated on disposals	-	-	(30)	(178)	(14)	(54)	-	(276)
At 31 August 2015	21,199	-	3,646	9,002	1,603	11,862	48	47,360
Net book value								
At 31 August 2015	71,436	-	1,476	1,625	337	1,200	2	76,076
At 1 September 2014	72,131	-	1,274	1,136	393	1,078	7	76,019

INSTITUTE OF TECHNOLOGY, SLIGO

Notes to the financial statements - (continued) For the year ended 31 August 2016

14. Investments

The Institute holds an interest in the following subsidiaries:

Subsidiary undertakings

Ballinode Catering and Services (Limited by guarantee)
Credco (Limited by guarantee)

Principal Activity

Ballinode Catering provides various services within the Institute of Technology, Sligo. These services include recreational facilities, hall hire, and the provision of graduate services.

Credco is involved mainly in consultancy, research, the furtherance of education and provision of incubation space.

Interest	%
Ballinode Catering	100%
Credco	100%
Retained Surplus	€'000
Ballinode Catering	216
Credco	17

Both of the above subsidiary undertakings have their registered office and place of business at the Institute of Technology, Sligo

15. Receivables

	Consolidated		Institute	
	2016 €'000	2015 €'000	2016 €'000	2015 €'000
Academic fees receivable	680	820	680	820
Provision for Academic fees	(613)	(755)	(613)	(755)
State Grant receivable	-	85	-	85
Other Capital funding receivable	1,433	-	1,433	-
Student Services Charge	-	-	-	-
Maintenance Grant Payments Due	-	-	-	-
Research Grants and Contracts Receivable	83	108	83	108
Prepayments and Accrued Income	607	875	1,454	1,127
Provision for Trade Receivables	(3)	(18)	(3)	(18)
Other receivables	397	302	397	302
	2,584	1,417	3,431	1,669

16. Cash & cash equivalents

	Consolidated		Institute	
	2016 €'000	2015 €'000	2016 €'000	2015 €'000
Cash at bank including balances held on short term deposit	23,150	21,556	22,394	21,027

INSTITUTE OF TECHNOLOGY, SLIGO

Notes to the financial statements - (continued)
For the year ended 31 August 2016

17. Payables: amounts falling due within one year	Consolidated		Institute	
	2016 €000's	2015 €000's	2016 €000's	2015 €000's
State grant received in advance	217	-	217	-
Research Grants and Contracts in advance	1,113	823	1,113	823
Deferred Income Student Support Funding	194	168	194	168
Tuition fees and Student Registration Charges received in advance	1,046	827	1,046	827
Trade Payables and Accruals	4,750	3,359	3,768	2,554
Elimination of inter company balances	(1,272)	(656)	-	-
PAYE	474	449	474	449
PRSI	263	245	263	245
Other payables	115	128	111	126
Accruals and Deferred Income	209	146	208	143
Total Creditors	7,109	5,489	7,394	5,335

18. Deferred Capital Grants	Consolidated		Institute	
	2016 €000's	Restated 2015 €000's	2016 €000's	Restated 2015 €000's
At 1 September 2015				
Opening Balance	76,072	76,019	76,072	76,019
Cash received in year				
Allocated from State recurrent grant	450	1,063	450	1,063
State Capital Grants	2,191	(67)	2,191	(67)
Other	306	141	306	141
Funded from restricted reserves	144	1,810	144	1,810
Total	3,091	2,947	3,091	2,947
Amortised to Income and expenditure in year				
Amortised in line with depreciation	(2,901)	(2,894)	(2,901)	(2,894)
Adjustment for Non State Assets	-	-	-	-
Total	(2,901)	(2,894)	(2,901)	(2,894)
At 31 August 2016				
Closing Balance	76,262	76,072	76,262	76,072

INSTITUTE OF TECHNOLOGY, SLIGO

Notes to the financial statements - (continued)
For the year ended 31 August 2016

19. Capital Development Reserve

	Consolidated		Institute	
	2016 €000's	Restated 2015 €000's	2016 €000's	Restated 2015 €000's
Opening Balance	8,738	3,048	8,738	3,048
Interest earned	-	-	-	-
Transfer from Revenue Reserves	-	7,500	-	7,500
Capital Projects	(144)	(1,810)	(144)	(1,810)
Subsidiary company fixed assets		-		-
Closing Balance	<u>8,594</u>	<u>8,738</u>	<u>8,594</u>	<u>8,738</u>

The Capital Development Reserve balance is made up of monies set aside to fund projects approved by the Governing Body. Project 1 is the refurbishment and extension of the Science Block. The budget approved for this project is €16,700,000 and €600,000 of the balance relates to this project.

Project 2 is the updating of IT Equipment and the IT network across the Institute. The budget for this is €1,515,000 and €609,000 of the balance relates to this project.

Project 3 is the refurbishment of Block C&D and the Foundation Lab. The budget for this is €6,500,000 and €6,394,000 of the balance relates to this project.

Project 4 is the upgrading of equipment and facilities in the area of Tool Making (Precision Engineering and Manufacturing). The budget for this is €1,000,000 and €991,000 of the balance relates to this project.

20. Capital Commitments

The Institute had no capital commitments at 31 August 2016.

21. Related Parties

In the normal course of business the Institute may enter into contractual arrangements with undertakings in which the Institute's Governing Body members are employed or otherwise interested. The Institute has adopted procedures in accordance with the Code of Governance of Irish Institute's of Technology in relation to the disclosure of interests by members of the Board and the Institute has complied with these procedures during the year.

22. Contingent Liabilities

There were no contingent liabilities existing at 31 August 2016.

23. Post Balance Sheet Events

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

INSTITUTE OF TECHNOLOGY, SLIGO

**Notes to the financial statements - (continued)
For the year ended 31 August 2016**

24. Explanation of Transition to FRS 102

This is the first year that the Institute has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The following disclosures are required in the year of transition. The last financial statements under previous Irish GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 was therefore 1 September 2014. As a consequence of adopting FRS 102, a number of accounting policies have changed to comply with that standard.

The Institute has elected to use the transition provisions in Section 35 of FRS 102 in relation to property, plant and equipment, whereby the previous GAAP valuation may be used as "deemed cost" going forward.

In relation to purchases of Plant and Equipment, under previous Irish GAAP, items of a significant value purchased from funds provided by non-government sources were capitalised and the value of the funds given for this purpose were treated as a deferred capital grant. The tangible fixed asset was depreciated in accordance with the group's accounting policies and the capital grant amortised over the expected life of the asset. Under FRS102, income from grants from non-government sources is no longer treated as a deferred capital grant when used to purchase items of a capital nature. The impact of the recognition of income, and consequent impact on grant amortisation is also set out below:

Reconciliation of Reserves

On transition to FRS102, the restatement of Deferred Capital Grants has resulted in a reclassification of €4k from Deferred Capital Grants to Revenue Reserves.

	Consolidated		Institute	
	At 1 September 2014 €000's	At 31 August 2015 €000's	At 1 September 2014 €000's	At 31 August 2015 €000's
Revenue Reserves reported under previous Irish GAAP	14,278	8,785	14,005	8,623
Adjustments to reserves on transition to FRS 102:				
Adjustments relating to purchase of Land	-	-	-	-
Adjustments relating to purchase of Plant & Equipment	-	4	-	4
Revenue Reserves reported under FRS 102	<u>14,278</u>	<u>8,789</u>	<u>14,005</u>	<u>8,627</u>

INSTITUTE OF TECHNOLOGY, SLIGO

Notes to the financial statements - (continued)
For the year ended 31 August 2016

24. Explanation of Transition to FRS 102 - Continued

Reconciliation of surplus for the year ended 31 August 2015

	€000's
Consolidated surplus for the financial year under previous Irish GAAP	2,007
1. Increase in Government Grant Income re Purchase of Land	-
2. Increase in Income re purchase of Plant & Equipment	5
3. Reduction in income due to amortisation of Plant & Equipment	(1)
Consolidated surplus for the financial year under FRS 102	<u>2,011</u>

25. CONNACHT-ULSTER ALLIANCE AND TECHNOLOGICAL UNIVERSITY APPLICATION

By collaborating together Institute of Technology Sligo, Galway-Mayo Institute of Technology and Letterkenny Institute of Technology will achieve the criteria required to become a technological university (TU) and thereby enhance the ability of the higher education system in the region to support economic, social and cultural developments across a geographically dispersed, mostly rural community. The current timeline is 5 years to achieving re-designation as a TU. Cumulative cost projections for the three institutions up to 2019 is €11.8m as outlined in a recent funding submission to the HEA. As a result of this submission the HEA committed funding of €757k to the project for 2015/16. Any changes to the proposed legislation on technological universities may have implications for the Connacht-Ulster Alliance project.

26 Approval of Financial Statements

The financial statements were approved by the Governing Body on 6th December 2017.