

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

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GALWAY-MAYO INSTITUTE OF TECHNOLOGY

STATEMENT OF INSTITUTE RESPONSIBILITIES

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;
- disclose and explain any material departures from applicable accounting standards;
- prepare the financial statements on the going concern basis, unless that basis is inappropriate;

The Institute is responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Institute and which enable it to ensure that the 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.

President: _____

Chairman: _____

Date: _____

GALWAY-MAYO INSTITUTE OF TECHNOLOGY STATEMENT OF INTERNAL CONTROL

Responsibility for the System of Internal Control

The Governing Body acknowledges its overall responsibility for the Institute's system of internal control.

A sound system of internal control supports the achievement of the Institute's policies, aims and objectives, whilst safeguarding the public funds and assets for which we are responsible.

The system of internal control consists of those processes used to identify, evaluate and manage the significant risks faced by Galway-Mayo Institute of Technology 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.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

Code Of Governance of Irish Institutes of Technology

The Code of Governance of Irish Institutes of Technology as amended to reflect the 2009 Code of Governance for State Bodies was adopted by the Governing Body in January 2012.

Key Control Procedures

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

- Adopting an Internal Control Framework as developed by a sectoral working group from various Institutes of Technology to assist in the review of the system of Internal Control. The framework outlines the expected controls necessary to meet compliance based requirements in the following risk areas:
 - Institutional
 - Operational
 - Financial
 - Compliance
 - General compliance

The Framework was adopted and tailored by the Institute and ownership of the areas were assigned to various members of the executive team. The framework forms an integral part of the review of Internal Control within the Institute.

- Financial procedures and regulations are currently documented, implemented and up to date
- Defined management roles and responsibilities which have been communicated across academic departments and supporting functional units

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Regular reviews by the Governing Body of periodic and annual financial reports, which include financial performance against forecasts.

- Comprehensive budgeting system with an annual budget which is reviewed and approved by Governing Body.
- Development of targets to measure financial and other performance
- Clearly defined capital investment control guidelines.
- Formal management controls and checks including segregation of duties, and sample checking of Invoices and payments.
- An Audit Committee, with a defined audit charter is in place, with clear terms of reference, which deals with significant control issues and receives the reports of the internal and external auditors.
- An Internal Audit function which operates in accordance with the framework Code of Best Practice set out in the Code of Governance for Institutes of Technology. The annual Internal audit plan is approved by the Audit Committee and the Internal Audit function reports to this subcommittee regularly.
- Procurement procedures which have been communicated to all staff .
- Disposal of asset procedures which have been communicated to all staff
- Processes to facilitate compliance with Guidelines on Achieving value for Money in Public Expenditure.
- Procedures and systems to facilitate compliance with all relevant taxation laws.

Risk Management

The following actions were undertaken in 2011/12

- The executive board has taken on responsibility for risk management. A risk register holder has been appointed from this Executive Team.
- Risk Management was incorporated as an agenda item for eight meetings of the Executive Board and one meeting of the Audit Committee.
- Review and updating of the risk register, investigating non adherence to timelines and following up on arrangements agreed with the relevant risk owner.
- These updates are reported to the Audit Committee and Governing Body as appropriate.

Key Items in progress at year end 2012

Ongoing review and enhancement of the risk management framework together with ongoing review of the Code of Governance of Irish Institutes of Technology to further improve and build the risk management and governance framework within GMIT.

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- A gap analysis with the Code of Governance of the Irish Institutes of Technology as amended to reflect the 2009 Code of Governance for State Bodies was carried out in 2012 and the following key items are being addressed in 2013 :
 - An Anti Fraud policy is being drafted and is expected to be in place by 31 August 2013.
 - A Governing Body effectiveness Review is planned for 2013.
 - A Corporate Procurement Plan
 - An Emergency and Business Continuity plan

In addition a number of improvements are being progressed at a sectoral level as follows:

- An Employee Code of Conduct
- A Disclosure policy
- Data Protection Policy
- A National Project in respect of an Information Security Policy/Framework

As these activities reach completion, GMIT will commence the process of implementation once policies have been agreed.

- A project is underway in the Finance Office to improve the system of Internal control and processes for fee collection. The project is due for completion in June 2013.
- A Child protection policy has been drafted and is expected to be approved by the Governing Body in May 2013.

Annual review of internal controls

The Governing Body review of the effectiveness of the system of internal control is informed by:

- The work of Internal Audit, which includes the annual evaluation of internal controls. The internal audit plan considers risk when identifying areas of review.
- The Audit Committee which oversees the work of Internal Audit. The Audit Committee meets the Internal Auditors on a regular basis to review the work of Internal Audit.
- Senior officers within Galway-Mayo Institute of Technology who have responsibility for the development and maintenance of the Internal control framework.
- The risk management process
- The comments made by the Comptroller and Auditor General in his management letter or other reports.



The Governing Body has processes established for reviewing the effectiveness of the system of internal control and reviews were undertaken during the year, including a review of internal operational controls.

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The role of the Audit Committee is to provide assurance to the Governing Body that an adequate system of internal control is implemented and operating effectively and this was done for 2011/2012. The Governing Body performed its review of the effectiveness of the system of internal financial control for the year ended 31 August 2012 on November 23rd 2012.

Notwithstanding statements above, no weakness in internal control have been identified during the period that would lead to a material loss, contingency or uncertainty or would warrant disclosure in the statement of internal control.

On behalf of the Governing Body

 Chairman of the Governing Body	 President GMIT
Date: <u>1/8/2013.</u>	Date: <u>1/8/2012</u>



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

Galway-Mayo Institute of Technology

I have audited the financial statements of Galway-Mayo Institute of Technology for the year ended 31 August 2012 under the Institutes of Technology Acts 1992 to 2006. The financial statements, which have been prepared under the accounting policies set out therein, comprise the statement of accounting policies, the consolidated income and expenditure account, the consolidated and Institute balance sheets, the consolidated cash flow statement 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 in Ireland.

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 of the state of the Group's and Institute's affairs and of the Group's income and expenditure, 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 the Institutes of Technology Acts 1992 to 2006.

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, which have been properly prepared in accordance with generally accepted accounting practice in Ireland, give a true and fair view of the state of the Group's and Institute's affairs at 31 August 2012 and of the Group's income and expenditure for the year then ended.

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

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
- my audit noted any material instance where public 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
- I find 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.

**Seamus McCarthy
Comptroller and Auditor General**

26 August 2013

GALWAY-MAYO INSTITUTE OF TECHNOLOGY STATEMENT OF ACCOUNTING POLICIES

The significant accounting policies adopted by Galway Mayo Institute of Technology are as follows:

1. BASIS OF PREPARATION

The financial statements are prepared in accordance with generally accepted accounting principles in Ireland and the United Kingdom under the historical cost convention (except for certain assets which are included at valuation) and with the requirements of the Higher Education Authority.

Under the Institutes of Technology Act 2006 which came into operation on 1 February 2007 certain functions and funding which were previously exercised and provided by the Minister for Education and Science were transferred to the Higher Education Authority.

2. BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the Institute and GMIT Catering Company Limited for the year.

3. RECOGNITION OF INCOME

State Grants:

Recurrent grants from the Higher Education Authority, the Health Service Executive and other bodies are recognised in the period in which they are receivable. Non-recurrent grants from the Higher Education Authority, the Health Service Executive or other bodies received in respect of the acquisition or construction of fixed assets are treated as deferred capital grants and amortised in line with depreciation over the life of the assets.

Devolved Grants:

The Minister for Education and Science introduced a scheme to devolve responsibility to the Institute for Summer and other Capital Works. Where devolved grant monies, in respect of this scheme, have not been expended they are treated as deferred income, provided the projects to which they are committed have been approved by the Governing Body, are fully defined, time phased and with estimates of costs.

In all other cases devolved grant funding is recognised by the amount appropriate to the relevant academic year determined on a time apportionment basis.

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. All research income and expenditure is shown under the headings 'Research Grants and Contracts'. Full provision is made for foreseeable losses.

Fee Income:

Fee Income is accounted for on an accruals basis. All fee income is included under this heading including Life Long Learning and Other Fees.

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Interest Income:

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

4. STOCKS

Stocks comprise canteen stock. Stocks are valued at the lower of cost and net realisable value. Expenditure on books and consumable stocks is charged to the Income and Expenditure Account as incurred.

5. FIXED ASSETS AND DEPRECIATION

Fixed assets, with the exception of land, are stated at historical cost or valuation less accumulated depreciation.

(a) LAND AND BUILDINGS

Land on 1 January 1993 (date of commencement order) was valued at nil and subsequent land additions are valued at historical cost. Buildings on 1 January 1993 (date of commencement order) were valued on a depreciated replacement cost basis and subsequent additions are valued at historical cost. Buildings under construction are accounted for at cost based on the value of the architect's certificates and other direct costs incurred to the financial year end. They are not depreciated until they are brought into use.

(b) 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. From 1 September 2010, where individual items of equipment purchased are below the capitalisation limit (€3,000) and the total purchase invoice is in excess of the limit, these items are individually capitalised in the normal way.

(c) DEPRECIATION

All assets purchased before 1 September 2008 and capitalised will continue to be treated as fixed assets and depreciated to the end of their useful life. Depreciation is provided on fixed assets, excluding land, on a straight line basis so as to write off their historical costs or valuations over their estimated useful lives as follows:

	Years
Buildings	50
Fixtures and Fittings including Prefabs	10
Computer equipment	3
Plant and Machinery	10
Equipment	5
Motor Vehicles	5

Computer equipment purchased before 1 September 2009 will continue to be depreciated on the basis of a four year straight line depreciation policy.

Computer equipment purchased after that date will be depreciated on a three year straight line basis.

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

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6. FOREIGN CURRENCIES

Transactions denominated in foreign currencies are translated into Euro and recorded at the rates of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Euro at the rates of exchange ruling at the balance sheet date.

7. PENSIONS

All pension entitlements of staff are conferred under a defined benefit scheme established under the Local Government (Superannuation) Act, 1980, and pension obligations are met by the Exchequer as they arise.

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.

8. DEFERRED CAPITAL GRANTS

Deferred Capital Grants represent the amortised value of accumulated funds allocated for fixed assets.

9. 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 Reserves 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, are time phased and with estimates of costs.

10. LEASED ASSETS

Rentals under operating leases are charged to the Income and Expenditure account in the period in which the expenditure is incurred.

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

THE CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2012

	NOTE	2012 € '000	2011 € '000
INCOME			
State Grants	1	25,871	27,660
Amortisation of Deferred Capital Grants	17	3,318	3,404
Tuition Fees	2	20,673	20,296
Research Grants and Contracts	3	2,390	2,506
Interest Income		816	636
Student Support Funding Income Recognised	4	818	460
Catering	25	1,478	1,431
Other Income	5	3,348	3,972
		<u>58,712</u>	<u>60,365</u>
EXPENDITURE			
Academic Departments	6	32,754	34,096
Academic Services	7	2,418	2,222
Facilities Costs	8	6,104	5,832
Central Administration & Services	9	5,802	6,148
General Educational Expenses	10	1,012	1,015
Student Services	11	2,812	2,608
Research Grants and Contracts	3	2,476	2,564
Student Support Funding Income Applied	4	818	460
Depreciation	14	3,305	3,358
Catering Costs	25	1,454	1,423
	12	<u>58,955</u>	<u>59,726</u>
(Deficit)/Surplus for the year before transfer to Capital Development Reserve		(243)	639
Transfer from/to Capital Development Reserve	22	44	(860)
Operating (Deficit)		(199)	(221)
Accumulated Surplus at 1 September		5,559	5,780
Accumulated Surplus at 31 August		<u>5,360</u>	<u>5,559</u>

The Institute has no gains or losses in the financial year or the preceding financial year other than those dealt with in the Income & Expenditure Account.


The statement of accounting policies, cash flow statement and Notes 1 to 26 form part of the Financial Statements.

Signed of behalf of the Governing Body

PRESIDENT :

CHAIRMAN :

DATE:


1/8/2013

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

CONSOLIDATED BALANCE SHEET AS AT 31 AUGUST 2012

	NOTE	2012 € '000	2011 € '000
Fixed Assets			
Tangible Assets	14	70,830	72,987
Current Assets			
Debtors and Prepayments	15	1,342	2,664
Cash at Bank and in Hand		17,886	18,276
Stock		10	7
		19,238	20,947
Current Liabilities			
Creditors and accrued expenses : Amounts falling due within 1 year	16	4,662	6,126
Net Current Assets		14,576	14,821
		85,406	87,808
Net Assets			
Represented By			
Deferred Capital Grants	17	70,814	72,973
Income & Expenditure Account		5,360	5,559
Capital Development Reserve	22	9,232	9,276
		85,406	87,808


The statement of accounting policies, cash flow statement and Notes 1 to 26 form part of the Financial Statements.


Signed of behalf of the Governing Body

PRESIDENT :

CHAIRMAN :

DATE :





 1/8/2013

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

INSTITUTE BALANCE SHEET AS AT 31 AUGUST 2012

	NOTE-	2012 € '000	2011 € '000
Fixed Assets			
Tangible Assets		70,814	72,973
Current Assets			
Debtors and Prepayments		1,327	2,635
Cash at Bank and in Hand		<u>17,734</u>	<u>18,187</u>
		19,061	20,822
Current Liabilities			
Creditors and accrued expenses : Amounts falling due within 1 year		<u>4,597</u>	<u>6,097</u>
Net Current Assets		14,464	14,725
Net Assets		<u><u>85,278</u></u>	<u><u>87,698</u></u>
Represented By			
Deferred Capital Grants		70,814	72,973
Income & Expenditure Account		5,232	5,449
Capital Development Reserve		<u>9,232</u>	<u>9,276</u>
		<u><u>85,278</u></u>	<u><u>87,698</u></u>

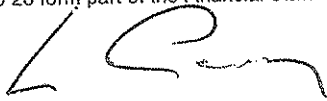
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Signed of behalf of the Governing Body

PRESIDENT :

CHAIRMAN :

DATE :





 1/8/2013

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

CASH-FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2012

	2012	2011
	€'000	€'000
Reconciliation of operating (deficit)/surplus to net cash inflow from operating activities		
Operating (deficit)/surplus	(243)	639
Interest Income	(816)	(635)
Depreciation	3,305	3,358
Amortisation in line with asset Depreciation	(3,299)	(3,346)
(Increase) in Stocks	(3)	(2)
Decrease in Debtors	1,331	1,815
(Decrease)/Increase in Creditors	(1,431)	214
Net Cash (Outflow)/Inflow from Operating Activities	(1,156)	2,043

CASH FLOW STATEMENT

Net Cash (Outflow)/Inflow from Operating Activities	(1,156)	2,043
Returns on Investment & Servicing of Finance		
Interest Received	791	538
Taxation Refund/Paid	4	(8)
Capital Expenditure	(1,191)	(1,831)
Payments to acquire Fixed Assets	(1,191)	(1,831)
Net Cash Outflow for Capital Expenditure		
Financing	414	662
State Capital Grants spent on Fixed Assets	640	1,098
State Recurrent Grant spent on Fixed Assets	107	241
Other Funds Spent on Fixed Assets	1,161	1,991
Net Cash inflow from Financing		
(Decrease)/Increase in Cash	(391)	2,733

Reconciliation of net cash flow to movement in net funds

(Decrease)/Increase in cash	18,277	15,544
Opening net funds	17,886	18,277
Net funds at 31 August	(391)	2,733

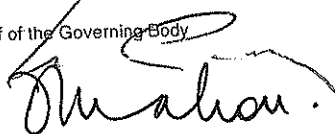
The statement of accounting policies, cash flow statement and Notes 1 to 26 form part of the Financial Statements.

Signed on behalf of the Governing Body

PRESIDENT:

CHAIRMAN:

DATE:


1/8/2013

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS

	Allocated for Recurrent Expenditure €'000	Allocated for Capital Expenditure €'000	Total 2012 €'000	Total 2011 €'000
1. STATE GRANTS				
The following is a summary of State Grants recognised in the year:				
State Grant for Recurrent Expenditure - Higher Education Authority	25,444	626	26,070	27,251
State Grant for Recurrent Expenditure - Health Services Executive	434	14	448	510
State Grant for Capital Expenditure - Higher Education Authority	(0)	109	109	233
State Grant for Capital Expenditure - Health Services Executive	0	0	0	2
State Grant for Minor Capital Works - Higher Education Authority	(7)	303	296	1,196
Total 2012	25,871	1,052	26,923	
Total 2011				29,192

The total cost of certain Higher Certificate and Ordinary Degree courses is subvented by the European Social Fund (ESF) at a national level. State grants for recurrent expenditure are partly funded from this EU assistance. With-effect from 1 February 2007, the Higher Education Authority took over the responsibility from the Department of Education and Science for the funding of non nursing recurrent expenditure.

	Student Nos (WTE)	2012 €'000	Student Nos (WTE)	2011 €'000
2. TUITION FEES				
Fees paid by State	4,706	6,351	4,682	8,618
Non EU Fees	165	1,036	143	1,001
Fees paid by students or on behalf of students	699	970	831	1,336
Lifelong Learning Fees and Other fees	126	936	124	995
Gross Student Contribution including repeat exam fees		11,394		8,355
Less allocation to capital expenditure		(14)		(9)
	5,696	20,673	5,780	20,296

The Higher Education Authority paid Tuition Fees in the year of €2,467,603 (10/11 €2,990,782) for full time Degree courses, €3,079,335 (10/11 €4,686,530) for higher certificate and ordinary degree courses and €804,195 (10/11 €940,972) for full time nursing degree courses the total costs of which are part funded by the ESF. Student numbers are stated as wholetime equivalents, based on enrolled credits. Annual contribution fees are payable by students, the full time rate being set at €2000 (2011/12), €1,500 (2010/11).

3. RESEARCH GRANTS & CONTRACTS

Income			
Research Grants and Contracts		2,440	2,684
Transfer to Capital Account		(50)	(178)
		2,390	2,506
Expenditure			
Staff Costs		1,143	1,083
Professional Fees		77	161
Travel and subsistence		360	402
Equipment purchases and maintenance		95	73
Other Expenses		801	845
		2,476	2,564
(Deficit)		(86)	(58)

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS

	Student Assistance Fund € '000	Fund for Students with Disabilities € '000	2012 € '000	2011 € '000
4. STUDENT SUPPORT FUNDING				
Balance at 1 September	13	394	407	193
Receipts	354	346	700	683
Less Transfer to Capital Account	-	(31)	(31)	(10)
<i>Amounts Applied</i>				
Staff	-	400	400	224
Other	368	50	418	236
	<u>368</u>	<u>-450</u>	<u>818</u>	<u>460</u>
Balance at 31 August	<u>(1)</u>	<u>259</u>	<u>258</u>	<u>406</u>

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

	2012 € '000	2011 € '000
5. OTHER INCOME		
Superannuation Deductions Retained	2,228	2,488
Rental of Facilities	262	318
Pay costs recouped in respect of seconded staff	111	70
Other Income attributable to Student Services	67	81
Sale of Class Materials	206	161
Photocopying Services	38	42
Other Income	447	856
Transfer to Capital Account	(11)	(44)
	<u>3,348</u>	<u>3,972</u>

6. ACADEMIC DEPARTMENTS

Staff:		
Teaching	26,434	27,424
Technical	3,287	3,349
Administrative, Executive & Secretarial	1,035	1,174
	<u>30,756</u>	<u>31,948</u>
Non Pay Costs:		
Materials & other Consumables	837	825
Equipment	228	371
Computer costs	194	198
Other Expenses	739	755
	<u>32,754</u>	<u>34,096</u>
Total		

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS

	2012 € '000	2011 € '000	
7. ACADEMIC SERVICES			
Staff : Library & Computer Services	1,801	1,570	
Non Pay Costs:			
Library Materials	308	342	
Computer costs	173	202	
Equipment	105	64	
Other Expenses	31	44	
Total	2,418	2,222	
8. FACILITIES COSTS			
Staff:			
Maintenance Staff	1,212	1,385	
Other Staff	469	502	
	1,681	1,887	
Non Pay Costs:			
Maintenance Costs	2,235	1,750	
Energy	956	911	
Rent & Rates	393	414	
Other Expenses	839	870	
Total	6,104	5,832	
9. CENTRAL ADMINISTRATION AND SERVICES			
Staff	3,537	3,734	
Non Pay Costs:			
Professional Fees	754	733	
Staff Development	268	326	
Communications	229	223	
Other Expenses	1,014	1,132	
Total	5,802	6,148	
10. GENERAL EDUCATION EXPENSES			
EXAMINATIONS:			
Staff	643	705	
Non Pay Costs:			
Fees to Examining Bodies	5	5	
Outplacement Costs	275	213	
Course Evaluation Fees	19	0	
Other Expenses	70	92	
Total	1,012	1,015	
11. STUDENT SERVICES			
	Staff Costs	Non-pay	
	€ '000	€ '000	
Subvention to Clubs, Societies and Students Union	-	895	895
Student Services	716	587	1,303
Careers Advisory Services	70	25	95
Sports & Recreation	17	3	20
Health & Counseling	330	169	499
Total	1,133	1,679	2,812
			2,608

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS

	Staff Costs € '000	Other Operating Expenses € '000	Depreciation € '000	Total 2012 € '000	Total 2011 € '000
12. ANALYSIS OF EXPENDITURE					
Research Grants & Contracts	1,143	1,333	511	2,987	3,088
Academic Departments	30,756	1,998	646	33,400	34,785
Academic Services	1,801	617	192	2,610	2,379
Facilities Costs	1,681	4,423	1,876	7,980	7,741
Central Administration & Services	3,537	2,265	53	5,855	6,201
General Education Expenses	643	369	-	1,012	1,015
Student Services & Amenities	1,533	2,097	22	3,652	3,082
Catering	764	690	5	1,459	1,435
2012 Total	41,858	13,792	3,305	58,955	
2011 Total	42,893	13,475	3,358		59,726
Analysis of Other Operating Expenditure					
Library Materials				317	342
Computer costs				516	504
General Education				870	815
Services to students				1,500	1,313
Personnel Costs				357	396
Communications				242	234
Stationery & office materials				346	396
Insurance				128	374
Governing body expenses				1	1
Finance costs				188	13
Energy Costs				967	918
Rent and Rates				427	454
Maintenance Costs				2,261	1,758
Other Premises Costs				503	540
Materials & Other Consumables				919	982
Equipment				630	718
Professional Fees				1,087	1,135
Travel & Subsistence				725	774
General Advertising & Publicity				226	214
Postgraduate Student Grants				206	248
Other Research Costs				104	136
Miscellaneous				552	519
Auditors Remuneration				30	29
Catering				690	662
				13,792	13,475

13. TAXATION

The activities of the Institute are exempt from Corporation Taxation, under a Charitable Status Order.

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS

14. TANGIBLE FIXED ASSETS	LAND & BUILDINGS		BUILDINGS		FIXTURES & FITTINGS		COMPUTER EQUIPMENT €'000	PLANT & MACHINERY		MOTOR VEHICLES		EQUIPMENT		FURNITURE & OTHER ASSETS IN COURSE OF CONSTRUCTION	
	€'000	€'000	CONSTRUCTION	INCL PREFABS	€'000	€'000		€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
COST OR VALUATION															
AT 1 SEPTEMBER 2011	103,144	89,208	543	1,687			2,496	663	91	8,200				261	
ADDITIONS	1,167	90	126	0			516	34	3	398				(54)	
TRANSFERS FROM IN COURSE OF CONSTRUCTION	0	0	0	0			0	0	0	0				0	
DISPOSALS	(156)	0	0	0			(83)	0	0	(73)				0	
AT 31 AUGUST 2012	104,155	89,293	669	1,687			2,929	697	94	8,579				207	
DEPRECIATION															
AT 1 SEPTEMBER 2011	30,157	21,079	0	1,362			1,923	418	64	5,311				0	
CHARGE FOR YEAR	3,305	1,626	0	106			385	51	14	1,123				0	
DISPOSALS	(137)	0	0	0			(78)	0	0	(59)				0	
AT 31 AUGUST 2012	33,325	22,705	0	1,468			2,230	469	78	6,375				0	
NET BOOK VALUE															
AT 31 AUGUST 2012	70,830	66,588	669	219			699	228	16	2,204				207	
AT 1 SEPTEMBER 2011	72,987	68,124	543	325			573	245	27	2,889				261	

Institute land on 1st January, 1993 (date of commencement order) was valued at nil and subsequent land additions are valued at historical cost.
Buildings on 1st January, 1993 (date of commencement order) were valued on a depreciated replacement cost basis and subsequent additions are valued at historical cost.

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS

	NOTE	2012 € '000	2011 € '000
15. DEBTORS AND PREPAYMENTS			
State Recurrent Grant		202	449
Tuition Fees		211	284
Student Maintenance Grants	20	0	11
Other Debtors		253	376
Prepayments & Accrued Income		383	408
State & Other Capital Grant		41	635
Research Grants & Contracts		252	501
		1,342	2,664
16. CREDITORS AND ACCRUED EXPENSES			
Payments received in advance:			
- Research Grants & Contracts		679	833
- Tuition Fees		691	1,348
- Student Support Funding		258	406
Student Maintenance Grants	20	2	0
		1,630	2,587
Trade Creditors and Accruals:			
PAYE		669	700
PRSI		318	314
Income Tax Withheld		5	11
Trade Creditors		225	435
Accruals		1,815	2,079
		4,662	6,126
17. DEFERRED CAPITAL GRANTS			
		2012 € '000	2011 € '000
Balance at 1 September		72,973	74,594
Capital Grants Receivable:			
State Capital Grants - Higher Education Authority		412	434
Allocated from State Recurrent Grant - Higher Education Authority		626	1,095
Allocated from State Recurrent Grant - Health Service Executive		14	3
Other Capital Funding		107	251
		1,159	1,783
Release to Income:			
Amortisation in line with depreciation		3,300	3,346
Release to Income re NBV on Disposals		18	58
		3,318	3,404
Balance at 31 August		70,814	72,973
18. CONTINGENCIES			
There were no Contingent Liabilities			
19. CAPITAL COMMITMENTS CONTRACTED FOR BUT NOT PROVIDED			
Estimated capital commitments of €268,479 existed at the end of the period.			

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS

20. STUDENT MAINTENANCE GRANTS	2012	2011
	€ '000	€ '000
Balance at 1 September	(11)	(32)
Receipts from HEA (Colleges Section)	3,811	5,203
Receipts from HEA (Student Support Unit)	1,338	1,843
Payments to Students	(3,805)	(5,185)
Payments to Students (Top ups)	(1,331)	(1,840)
Balance at 31 August	<u>2</u>	<u>(11)</u>

The Institute processes payments to students in respect of maintenance grants which are notified by the relevant VEC or Local Authority. Funding for these payments is provided by the Department of Education and Science with co funding provided by the European Social Fund (ESF). These transactions are not included separately in the Income and Expenditure Account.

21. NUMBER OF WHOLETIME EQUIVALENT EMPLOYEES EMPLOYED

	2012	2011
Full-time	449	487
Part-time	182	184
Total	<u>631</u>	<u>671</u>

22. Capital Development Reserve

	2012	2011
	€ '000	€ '000
Opening balance at 1 September	9,276	8,426
Transfer from/to Income & Expenditure Account	(44)	860
	9,232	9,286
Transfer to Capital Account	0	(10)
Amount of fund at 31 August	<u>9,232</u>	<u>9,276</u>

The Capital Development Reserve represents amounts set aside from Student Registration fees paid by Students which have been allocated for future Student Facilities.

23. COMPARATIVE FIGURES

Where necessary, the comparative figures have been reorganised and restated on the same basis as the current year figures.

24. DISCLOSURE OF TRANSACTIONS - GOVERNING BODY MEMBERS

In the normal course of business, the Institute may enter into contractual arrangements with undertakings in which Institute's Governing Body members are employed or otherwise interested. The Institute had adopted procedures in accordance with the the Code of Governance of Irish Institutes 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.

25. SUBSIDIARY AND RELATED UNDERTAKINGS

The catering facilities in the Institute are provided by GMIT Catering Company Limited, a separate company having no share capital and limited by guarantee. The Institute is responsible for the running of the company. The results of the company have been consolidated in these financial statements. The consolidated income & expenditure account, consolidated balance Sheet and consolidated cash-flow statement on pages 10, 11 and 13 respectively include information relating to the GMIT Catering Company Limited. Set out below are the financial results of the company for the year ended 31 August 2012:

	2012	2011
	€ '000	€ '000
Sales	<u>1,478</u>	<u>1,431</u>
Staff Costs	764	761
Consumables & Other Expenses	690	662
Total Expenditure excluding Depreciation	<u>1,454</u>	<u>1,423</u>
Depreciation	5	12
	<u>1,459</u>	<u>1,435</u>
Surplus/(Deficit) after Depreciation	19	(4)
Opening Accumulated Surplus at 1st Sept	109	113
Accumulated Surplus	<u>128</u>	<u>109</u>

26. APPROVAL OF THE FINANCIAL STATEMENTS

The Financial Statements were approved by the Governing Body on 18th July, 2013.