

# 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: Mahon.

Date: 11.7.2012

# 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.

### **Key Control Procedures**

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

- Financial procedures and regulations are currently documented, implemented and up to date.
- Regular reviews by the Governing Body of periodic and annual financial reports, which include financial performance against forecasts.
- Clearly defined capital investment control guidelines.
- 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.

### **Risk Management**

We continue to develop our risk management strategy within GMIT.

The following actions were undertaken in 2010/11:

- The executive board has taken on responsibility for the risk management strategy as the risk management committee. A risk register holder has been appointed from this committee.
- Risk Management was incorporated as an agenda item for meetings of relevant committees.
- Policies and procedures are reviewed on an ongoing basis.

## GALWAY-MAYO INSTITUTE OF TECHNOLOGY

In addition to the actions mentioned above, in 2011/12 the Institute has actively managed, reviewed and updated the risk register with the relevant managers. Non adherences to timelines are investigated, and follow up arrangements agreed with the relevant risk owner. These updates will be reported to the Audit Committee and Governing body as appropriate.

### **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 financial 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, and
- 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 internal control and reviews were undertaken during the year, including a review of internal operational controls. 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 2010/2011. The Governing Body performed its review of the effectiveness of the system of internal financial control for the year ended 31 August 2011 in January 2012.

The Governing Body is committed to fully implementing the Code of Governance of Irish Institutes of Technology and is working toward being in a position by 2011/12 to provide a statement on Internal Control that conforms to the format set out in that Code.

On behalf of the Governing Body

Mahon

Chairman of the Governing Body

Date: 11/7/2012

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President GMIT

Date: 11/7/12



## 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 2011 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 applicable law 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 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, 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 2011 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

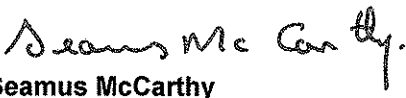
I report by exception if

- I have not received all the information and explanations I required for my audit, or
- my audit noted any material instance where moneys have 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.

#### Internal Control Review

The Statement on Internal Control discloses that the Governing Body performed its review of the effectiveness of the system of internal financial control for the year ended 31 August 2011 in January 2012.

I have nothing to report in regard to other matters.

  
Seamus McCarthy

Comptroller and Auditor General

18 July 2012

**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 GMT 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. Land is stated at historical cost or valuation.

#### **(a) COST OR VALUATION**

Fixed assets in existence on 1 January 1993 (date of commencement order) are stated at valuation. The basis of valuation of land and buildings is set out at note 14. Subsequent additions are stated at 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.

## GALWAY-MAYO INSTITUTE OF TECHNOLOGY

### 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

## CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2011

	NOTE	2011 € '000	2010 € '000
<b>INCOME</b>			
State Grants	1	27,660	31,125
Amortisation of Deferred Capital Grants	17	3,404	3,414
Tuition Fees	2	11,941	11,657
Student Registration Charge	3	8,355	8,145
Research Grants and Contracts	4	2,506	2,465
Interest Income		636	526
Student Support Funding Income Recognised	5	460	467
Catering	25	1,467	1,588
Other Income	6	3,972	4,203
		<u>60,401</u>	<u>63,590</u>
<b>EXPENDITURE</b>			
Academic Departments	7	34,096	36,158
Academic Services	8	2,222	2,547
Facilities Costs	9	5,832	6,486
Central Administration & Services	10	6,148	6,094
General Educational Expenses	11	1,015	830
Student Services	3	2,608	1,977
Research Grants and Contracts	4	2,564	2,559
Student Support Funding Income Applied	5	460	467
Depreciation	14	3,358	3,416
Catering Costs	25	1,459	1,553
	12	<u>59,762</u>	<u>62,087</u>
Surplus for the year before transfer to Capital Development Reserve		639	1,503
Transfer to Capital Development Reserve	22	(860)	(1,445)
Operating (Deficit)/Surplus for the year		(221)	58
State Recurrent Grant Write Off		0	(1,820)
Accumulated Surplus at 1 September		5,780	7,542
Accumulated Surplus at 31 August		<u>5,559</u>	<u>5,780</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:

11.7.2012

# GALWAY-MAYO INSTITUTE OF TECHNOLOGY

## CONSOLIDATED BALANCE SHEET AS AT 31 AUGUST 2011

	NOTE	2011 € '000	2010 € '000
<b>Fixed Assets</b>			
Tangible Assets	14	72,987	74,614
<b>Current Assets</b>			
Debtors and Prepayments	15	2,664	4,542
Cash at Bank and in Hand		18,276	15,545
Stock		7	5
		20,947	20,092
<b>Current Liabilities</b>			
Creditors and accrued expenses : Amounts falling due within 1 year	16	6,126	5,906
Net Current Assets		14,821	14,186
<b>Net Assets</b>		87,808	88,800
<b>Represented By</b>			
Deferred Capital Grants	17	72,973	74,594
Income & Expenditure Account		5,559	5,780
Capital Development Reserve	22	9,276	8,426
		87,808	88,800


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 :


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11. 7. 2012

# GALWAY-MAYO INSTITUTE OF TECHNOLOGY

## INSTITUTE BALANCE SHEET AS AT 31 AUGUST 2011

	2011 € '000	2010 € '000
<b>Fixed Assets</b>		
Tangible Assets	72,973	74,594
<b>Current Assets</b>		
Debtors and Prepayments	2,635	4,573
Cash at Bank and in Hand	18,187	15,345
	<u>20,822</u>	<u>19,918</u>
<b>Current Liabilities</b>		
Creditors and accrued expenses : Amounts falling due within 1 year	6,097	5,825
Net Current Assets	<u>14,725</u>	<u>14,093</u>
<b>Net Assets</b>	<u><u>87,698</u></u>	<u><u>88,687</u></u>
<b>Represented By</b>		
Deferred Capital Grants	72,973	74,594
Income & Expenditure Account	5,449	5,667
Capital Development Reserve	9,276	8,426
	<u><u>87,698</u></u>	<u><u>88,687</u></u>

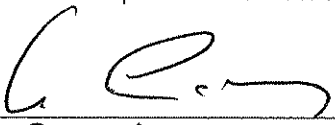
The statement of accounting policies, cash flow statement and Notes 1 to 26 form part of the Financial Statements.

Signed of behalf of the Governing Body

PRESIDENT :

CHAIRMAN :

DATE :

  
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*Mahon*  
\_\_\_\_\_  
11.7.2012

# GALWAY-MAYO INSTITUTE OF TECHNOLOGY

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2011

	2011	2010
	€'000	€'000
Reconciliation of operating profit/deficit to net cash inflow from operating activities		
Operating profit/deficit	639	(317)
Interest Income	(635)	(526)
Depreciation	3,358	3,416
Amortisation in line with asset Depreciation	(3,346)	(3,412)
(Increase)/Decrease in Stock	(2)	2
Decrease in Debtors	1,815	66
Increase in Creditors	214	88
<b>Net Cash Inflow from Operating Activities</b>	<u>2,043</u>	<u>(683)</u>
<hr/>		
<b>CASH FLOW STATEMENT</b>		
Net Cash Inflow from Operating Activities	2,043	(683)
Returns on Investment & Servicing of Finance		
Interest Received	538	546
Taxation Paid	(8)	(1)
Capital Expenditure		
Payments to acquire Fixed Assets	(1,831)	(2,926)
<b>Net Cash Outflow for Capital Expenditure</b>	<u>(1,831)</u>	<u>(2,926)</u>
Financing		
State Capital Grants spent on Fixed Assets	652	3,101
State Recurrent Grant spent on Fixed Assets	1,098	1,091
Other Funds Spent on Fixed Assets	241	180
<b>Net Cash inflow from Financing</b>	<u>1,991</u>	<u>4,372</u>
<b>Increase in Cash</b>	<u>2,733</u>	<u>1,308</u>
<hr/>		
Reconciliation of net cash flow to movement in net funds		
Increase in cash		
Opening net funds	15,544	14,236
<b>Net funds at 31 August</b>	<u>18,277</u>	<u>15,544</u>
	<u>2,733</u>	<u>1,308</u>

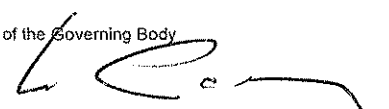

The statement of accounting policies, cash flow statement and Notes 1 to 26 form part of the Financial Statements.

Signed on behalf of the Governing Body

PRESIDENT:

CHAIRMAN:

DATE:

  
  
 11.7.2012

# GALWAY-MAYO INSTITUTE OF TECHNOLOGY

## NOTES TO THE FINANCIAL STATEMENTS

	Allocated for Recurrent Expenditure €'000	Allocated for Capital Expenditure €'000	Total 2011 €'000	Total 2010 €'000
<b>1. STATE GRANTS</b>				
The following is a summary of State Grants recognised in the year:				
State Grant for Recurrent Expenditure - Higher Education Authority	26,156	1,095	27,251	29,797
State Grant for Recurrent Expenditure - Health Services Executive	507	3	510	758
State Grant for Capital Expenditure - Higher Education Authority	2	231	233	1,474
State Grant for Capital Expenditure - Health Services Executive	2	0	2	51
State Grant for Minor Capital Works - Higher Education Authority	993	203	1,196	1,768
<b>Total 2011</b>	<b>27,660</b>	<b>1,532</b>	<b>29,192</b>	
<b>Total 2010</b>	<b>31,125</b>	<b>2,723</b>		<b>33,848</b>

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.

	2011 € '000	Student Nos (WTE)	2010 € '000	Student Nos (WTE)
<b>2. TUITION FEES</b>				
Fees paid by State	8,618	4,682	8,605	4,597
Non EU Fees	1,001	143	454	80
Fees paid by students or on behalf of students	1,336	831	1,312	817
Lifelong Learning Fees	995	124	1,286	234
Transfer to Capital Account	(9)			
	<b>11,941</b>	<b>5,780</b>	<b>11,657</b>	<b>5,728</b>

The Higher Education Authority paid Tuition Fees in the year of €4,686,530 full time Degree courses and €2,990,782 for higher certificate and ordinary degree courses, the total costs of which are partly funded by the ESF. The Health Service Executive paid €940,972 in respect of the tuition fee element for full time nursing degree courses.

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

### 3. STUDENT REGISTRATION CHARGE

a) Annual Registration Fees are payable by students, the full time rate being set at €1,500 for the 2010/11 (€1,500 - 2009/10) academic year. By direction of the Higher Education Authority, €995 of each full time fee is retained by the Institute and applied to meet recurrent expenditure for appropriate services. This amounted to €5,219,000 in the year of account. After a transfer of €859,338 to Capital Development Reserve, the balance of €2,608,150 was used to provide facilities and services for students.

b) Student Registration Fees	8,355	8,145
Interest on Student Services Deposits recorded under interest	251	190
Student Services Other Income recorded under Other Income	81	79
<b>Total Attributable Student Services Income</b>	<b>8,687</b>	<b>8,414</b>
<b>Application of Registration Charge</b>		
Staff	982	542
Student Health Service	86	93
Student Disadvantage Fund	135	167
Student Insurance	20	20
Subventions to Students Union	898	782
Student Services Other	487	374
	<b>2,608</b>	<b>1,978</b>
Transfer to Capital Development Reserve	860	1,445
<b>Student Service Charge retained for Recurrent Expenditure</b>	<b>5,219</b>	<b>4,991</b>

# GALWAY-MAYO INSTITUTE OF TECHNOLOGY

## NOTES TO THE FINANCIAL STATEMENTS

4. RESEARCH GRANTS & CONTRACTS	2011	2010
Income	€ '000	€ '000
Research Grants and Contracts	2,684	2,638
Transfer to Capital Account	(178)	(173)
	<u>2,506</u>	<u>2,465</u>
 <u>Expenditure</u>		
Staff Costs	1,083	1,288
Professional Fees	161	86
Travel and subsistence	402	322
Equipment purchases and maintenance	73	59
Other Expenses	845	804
	<u>2,564</u>	<u>2,559</u>
Surplus/(Deficit)	<u>(58)</u>	<u>(94)</u>

	Student Assistance Fund	Fund for Students with Disabilities € '000	2011 € '000	2010 € '000
<b>5. STUDENT SUPPORT FUNDING</b>				
Balance at 1 September	12	181	193	147
Receipts	175	508	683	513
Less Transfer to Capital Account	-	10	10	-
<u>Amounts Applied</u>				
Staff	-	224	224	201
Other	174	62	236	266
	<u>174</u>	<u>286</u>	<u>460</u>	<u>467</u>
Balance at 31 August	<u>13</u>	<u>393</u>	<u>406</u>	<u>193</u>

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

6. OTHER INCOME	2011	2010
	€ '000	€ '000
Superannuation Deductions Retained	2,488	2,425
Rental of Facilities	318	297
Pay costs recouped in respect of seconded staff	70	132
Other Income attributable to Student Services	81	79
Sale of Class Materials	161	151
Photocopying Services	42	53
Other Income	856	1,072
Transfer to Capital Account	(44)	(6)
	<u>3,972</u>	<u>4,203</u>

# GALWAY-MAYO INSTITUTE OF TECHNOLOGY

## NOTES TO THE FINANCIAL STATEMENTS

	2011 € '000	2010 € '000
<b>7. ACADEMIC DEPARTMENTS</b>		
<b>Staff:</b>		
Teaching	27,424	28,020
Technical	3,349	3,393
Administrative, Executive & Secretarial	1,174	1,309
	<u>31,947</u>	<u>32,722</u>
<b>Non Pay Costs:</b>		
Materials & Other Consumables	825	790
Equipment	371	1,465
Computer Costs	198	282
Other Expenses	755	899
<b>Total</b>	<u><u>34,096</u></u>	<u><u>36,158</u></u>
<b>8. ACADEMIC SERVICES</b>		
Staff : Library & Computer Services	1,570	1,718
<b>Non Pay Costs:</b>		
Library Materials	342	335
Computer Costs	202	195
Equipment	64	258
Other Expenses	44	41
<b>Total</b>	<u><u>2,222</u></u>	<u><u>2,547</u></u>
<b>9. FACILITIES COSTS</b>		
<b>Staff:</b>		
Maintenance Staff	1,385	1,418
Other Staff	502	539
	<u>1,887</u>	<u>1,957</u>
<b>Non Pay Costs:</b>		
Maintenance Costs	1,750	2,047
Rent & Rates	414	466
Energy	911	798
Equipment	148	531
Other Expenses	722	687
<b>Total</b>	<u><u>5,832</u></u>	<u><u>6,486</u></u>
<b>10. CENTRAL ADMINISTRATION AND SERVICES</b>		
Staff	3,734	3,898
<b>Non Pay Costs:</b>		
Professional Fees	733	805
Communications	223	227
Staff Development	326	260
Other Expenses	1,132	904
<b>Total</b>	<u><u>6,148</u></u>	<u><u>6,094</u></u>
<b>11. GENERAL EDUCATION EXPENSES</b>		
<b>EXAMINATIONS:</b>		
Staff	705	626
<b>Non Pay Costs:</b>		
Fees to Examining Bodies	5	6
Outplacement Costs	213	109
Other Expenses	92	89
<b>Total</b>	<u><u>1,015</u></u>	<u><u>830</u></u>

# GALWAY-MAYO INSTITUTE OF TECHNOLOGY

## NOTES TO THE FINANCIAL STATEMENTS

	Staff Costs € '000	Other Operating Expenses € '000	Depreciation € '000	Total 2011 € '000	Total 2010 € '000
<b>12. ANALYSIS OF EXPENDITURE</b>					
Research Grants & Contracts	1,083	1,481	524	3,088	3,086
Academic Departments	31,947	2,148	689	34,785	36,930
Academic Services	1,570	652	158	2,379	2,690
Facilities Costs	1,887	3,945	1,909	7,741	8,387
Central Administration & Services	3,734	2,415	52	6,201	6,145
General Education Expenses	705	310	-	1,015	830
Student Services & Amenities	1,206	1,862	14	3,082	2,462
Catering	761	698	12	1,471	1,557
<b>2011 Total</b>	<b>42,893</b>	<b>13,511</b>	<b>3,358</b>	<b>59,762</b>	
<b>2010 Total</b>	<b>43,753</b>	<b>14,918</b>	<b>3,416</b>		<b>62,087</b>
<b>Analysis of Other Operating Expenditure</b>					
Library Materials				342	336
Computer Costs				504	612
General Education				815	652
Services to Students				1,313	1,158
Personnel Costs				396	361
Communications				234	237
Stationery & office Materials				396	358
Insurance				374	187
Governing Body expenses				1	0
Finance Costs				13	17
Energy Costs				918	807
Rent and Rates				454	471
Maintenance Costs				1,758	2,058
Other Premises Costs				540	553
Materials & Other Consumables				982	895
Equipment				718	2,402
Professional Fees				1,135	1,147
Travel & Subsistence				774	716
General Advertising & Publicity				214	215
Postgraduate Student Grants				248	340
Other Research Costs				136	72
Miscellaneous				519	543
Auditors Remuneration				29	29
Catering				698	752
				<b>13,511</b>	<b>14,918</b>

### 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		FIXTURES & FITTINGS		COMPUTER EQUIPMENT	PLANT & MACHINERY		MOTOR VEHICLES		FURNITURE & EQUIPMENT		OTHER ASSETS IN COURSE OF CONSTRUCTION
	€'000	€'000	€'000	€'000		€'000	€'000	€'000	€'000	€'000	€'000	
COST OR VALUATION AT 1 SEPTEMBER 2010	101,930	89,065	366	1,678	2,389	660	91	7,426	255	6		
ADDITIONS	1,788	138	177	9	432	3	0	1023				
TRANSFERS FROM IN COURSE OF CONSTRUCTION	0	0	0	0	0	0	0	0	0	0		
DISPOSALS	(574)	0	0	0	(325)	0	0	(249)	0			
AT 31 AUGUST 2011	103,144	89,203	543	1,687	2,496	663	91	8,200	261			
DEPRECIATION												
AT 1 SEPTEMBER 2010	27,316	19,455	0	1,215	1,891	359	46	4,350	0			
CHARGE FOR YEAR	3,358	1,624	0	147	344	59	18	1,166	0			
DISPOSALS	(517)	0	0	0	(312)	0	0	(205)	0			
AT 31 AUGUST 2011	30,157	21,079	0	1,362	1,923	418	64	5,311	0			
NET BOOK VALUE												
AT 31 AUGUST 2011	72,987	68,124	543	325	573	245	27	2,889	261			
AT 1 SEPTEMBER 2010	74,614	69,610	366	463	498	301	45	3,076	255			

Institute land on 1st January, 1993 (date of commencement order) was valued at nil and buildings existing on the same date were valued on a depreciated replacement cost basis.

# GALWAY-MAYO INSTITUTE OF TECHNOLOGY

## NOTES TO THE FINANCIAL STATEMENTS

	NOTE	2011 € '000	2010 € '000
<b>15. DEBTORS AND PREPAYMENTS</b>			
State Recurrent Grant		449	1,196
Tuition Fees		284	428
Student Maintenance Grants	20	11	32
Other Debtors		376	912
Prepayments & Accrued Income		408	310
State & Other Capital Grant		635	1,466
Research Grants & Contracts		501	198
		<u>2,664</u>	<u>4,542</u>

## 16. CREDITORS AND ACCRUED EXPENSES

### Payments received in advance:

- Student Registration Charges		1,266	1,699
- Research Grants & Contracts		833	651
- Tuition Fees		82	83
- Student Support Funding		406	193
		<u>2,587</u>	<u>2,626</u>

### Trade Creditors and Accruals:

PAYE		700	507
PRSI		314	361
Income Tax Withheld		11	18
Trade Creditors		435	568
Accruals		2,079	1,823
Corporation Tax			3
		<u>6,126</u>	<u>5,906</u>

## 17. DEFERRED CAPITAL GRANTS

	2011 € '000	2010 € '000
Balance at 1 September	<u>74,594</u>	<u>75,105</u>

### Capital Grants Receivable :

State Capital Grants - Higher Education Authority	434	1,632
Allocated from State Recurrent Grant - Higher Education Authority	1,095	1,082
Allocated from State Recurrent Grant - Health Service Executive	3	9
Other Capital Funding	251	180
	<u>1,783</u>	<u>2,903</u>

### Release to Income:

Amortisation in line with depreciation	3,346	3,412
Release to Income re NBV on Disposals	58	2
	<u>3,404</u>	<u>3,414</u>

Balance at 31 August	<u>72,973</u>	<u>74,594</u>
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## 18. CONTINGENCIES

There were no Contingent Liabilities

## 19. CAPITAL COMMITMENTS CONTRACTED FOR BUT NOT PROVIDED

Estimated capital commitments of €327,310 existed at the end of the period.

# **GALWAY-MAYO INSTITUTE OF TECHNOLOGY**

## **NOTES TO THE FINANCIAL STATEMENTS**

<b>20. STUDENT MAINTENANCE GRANTS</b>	<b>2011</b>	<b>2010</b>
	<b>€ '000</b>	<b>€ '000</b>
Balance at 1 September	(32)	(10)
Receipts from HEA (Colleges Section)	5,203	5,549
Receipts from HEA (Student Support Unit)	1,843	1,902
Payments to Students	(5,185)	(5,566)
Payments to Students (Top ups)	<u>(1,840)</u>	<u>(1,907)</u>
Balance at 31 August	<u><u>(11)</u></u>	<u><u>(32)</u></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.

<b>21. NUMBER OF WHOLETIME EQUIVALENT EMPLOYEES EMPLOYED</b>	<b>2011</b>	<b>2010</b>
Full-time	487	501
Part-time	<u>184</u>	<u>182</u>
Total	<u><u>671</u></u>	<u><u>683</u></u>

<b>22. CAPITAL DEVELOPMENT RESERVE</b>	<b>2011</b>	<b>2010</b>
	<b>€ '000</b>	<b>€ '000</b>
Opening balance at 1 September	8,426	6,981
Transfer from Income & Expenditure Account	<u>860</u>	<u>1,445</u>
	9,286	8,426
Transfer to Capital Account	<u>(10)</u>	<u>0</u>
Amount of fund at 31 August	<u><u>9,276</u></u>	<u><u>8,426</u></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 Code of Governance of Irish Institutes of Technology in relation to 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, Balance Sheet and Cashflow Statement on pages 9 to 12 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 2011:

	<b>2011</b>	<b>2010</b>
	<b>€ '000</b>	<b>€ '000</b>
Sales	<u>1467</u>	<u>1588</u>
Staff Costs	761	801
Consumables & Other Expenses	<u>698</u>	<u>752</u>
Total Expenditure excluding Depreciation	1459	1553
Depreciation	<u>12</u>	<u>5</u>
	<u><u>1471</u></u>	<u><u>1558</u></u>
Net Profit after Depreciation	(4)	30
Opening Profit	<u>113</u>	<u>83</u>
Accumulated Profit	<u><u>109</u></u>	<u><u>113</u></u>

### **26. APPROVAL OF THE FINANCIAL STATEMENTS**

The Financial Statements were approved by the Governing Body on 11th July, 2012.