

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

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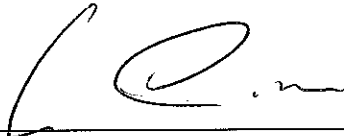
GALWAY-MAYO INSTITUTE OF TECHNOLOGY


STATEMENT OF INSTITUTE RESPONSIBILITIES

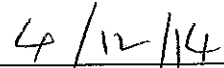
The Institutes of Technology Acts 1992 to 2006 require the Institute to prepare financial statements in such form as may be approved by the Higher Education Authority and to submit them for audit to the Comptroller and Auditor General. In preparing these financial statements, the Institute is required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

Chairman: 
Des Mahon

Date: 
4 December 2014

GALWAY-MAYO INSTITUTE OF TECHNOLOGY
STATEMENT ON
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 was 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.

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- Defined management roles and responsibilities which have been communicated across academic departments and supporting functional units. 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 2012/13

- The Executive board held responsibility for risk management until June; thereafter the risk management committee took responsibility for risk management.
- Risk Management was incorporated as an agenda item for four meetings of the Executive Board and six meetings 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.

The following actions will be undertaken in 2013/14

- The Secretary/Financial Controller will be appointed Risk Register holder in early 2013/14 and a review of the risk management policy, including the development of an updated risk register will be undertaken.

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Key Items in progress at year end 2013

Following on from Managements review of the Institutes Internal Control Framework for 2013, control improvements have been identified and the following key items are being addressed in 2014:

- Progression of an Anti Fraud policy which is expected to be in place during the 2014 academic year.
- A Governing Body effectiveness review (planned for March 2014.)
- A Corporate Procurement Plan
- The Institute (and IOT sector) is not in compliance with two ICT circulars. Sectoral discussions have centered on whether or not the circulars are appropriate for the IOT sector. In 2011 the Sectoral Secretary Financial Controllers group drafted a letter to the Department of Finance seeking exemption on the basis that the education sector receives a greater discount from the purchase of ICT than the framework agreements have agreed. To date there has been no response from the Department of Finance, The Institute intends to seek clarification on this matter in 2014.
- A Critical Incident plan and policy and a Business Continuity plan is to be put in place during 2014.
- Updating of key performance indicators (KPI's) to reflect the new compact initiative.
- 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.

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

- A draft Employee Code of Conduct
- Draft Disclosure policy
- A sectoral level IT documentation framework including the areas of data governance and information security is to be implemented.

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

Annual review of internal controls

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

- The work of Internal Audit, which includes the annual audits on a rotating selection of the auditable activities identified in the Audit Universe. The Internal Audit Plan considers risks 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.

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- 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.

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 2012/2013. The Governing Body performed its review of the effectiveness of the system of Internal Control and Risk Management for the year ended 31 August 2013 on 21 November 2013.

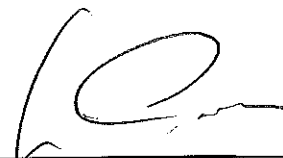
Notwithstanding the statements above, no weakness in internal control has been identified during the period that would lead to a material loss, contingency or uncertainty or would warrant disclosure in the statement on internal control.

On behalf of the Governing Body



**Chairman of the Governing Body
Des Mahon**

Date: 4/12/14
4 December 2014



**President GMIT
Michael Carmody**

Date: 4/12/14
4 December 2014



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

Galway-Mayo Institute of Technology

I have audited the consolidated financial statements of Galway-Mayo Institute of Technology (the financial statements) for the year ended 31 August 2013 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 balance sheet, the Institute balance sheet, 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 2013 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.

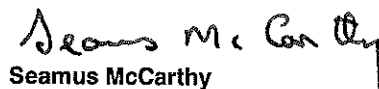
Matters on which I report by exception

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.

Investigation of plagiarism case

Note 27 discloses the costs associated with an investigation into the manner in which the Institute dealt with an incident of plagiarism that occurred in 2009. The total cost of the investigation was €436,060, of which €186,788 was incurred during the year ended 31 August 2013.


Seamus McCarthy
Comptroller and Auditor General

11 December 2014

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 Skills 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 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 depreciation over the life of the assets.

Minor Capital Works:

The Minister for Education and Skills introduced a scheme to devolve responsibility to the Institute for Summer and other Capital Works. Where minor capital works 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 minor capital works 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 stock 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.

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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

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.

The new Single Public Service Pension ("Single Scheme") commenced with effect from 1 January 2013. All new entrants to pensionable public service employment on or after 1 January 2013 are, in general members of the Single Scheme. Monies received from employees under this scheme are returned to the Department of Education and Skills.

8. DEFERRED CAPITAL GRANTS

Deferred Capital Grants represent the unamortised 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 arose from Student Contribution 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.

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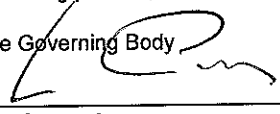
CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2013

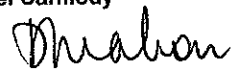
	NOTE	2013 € '000	2012 € '000
INCOME			
State Grants	1	25,281	25,871
Amortisation of Deferred Capital Grants	18	3,288	3,318
Tuition Fees	2	19,182	20,673
Research Grants and Contracts	3	2,377	2,390
Interest Income		462	816
Student Support Funding Income Recognised	4	918	818
Catering	26	1,394	1,478
Other Income	5	3,327	3,348
		56,229	58,712
 EXPENDITURE			
Academic Departments	6	32,168	32,754
Academic Services	7	2,470	2,418
Facilities Costs	8	5,288	6,104
Central Administration & Services	9	5,708	5,802
General Educational Expenses	10	927	1,012
Student Services	11	2,500	2,812
Research Grants and Contracts	3	2,913	2,476
Student Support Funding Income Applied	4	918	818
Write down of Assets in Course of Construction	18	115	0
Depreciation	14	3,176	3,305
Catering Costs	26	1,421	1,454
	12	57,604	58,955
 (Deficit) for the year before transfer from Capital Development Reserve		(1,375)	(243)
Transfer from Capital Development Reserve	23	108	44
Operating (Deficit) for the year		(1,267)	(199)
Accumulated Surplus at 1 September		5,360	5,559
Accumulated Surplus at 31 August		4,093	5,360

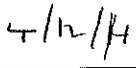
The Institute has no gains or losses in the financial year or the preceding financial year other than those dealt with in the Income & Expenditure Account.

The statement of accounting policies, cash flow statement and Notes 1 to 28 form part of the Financial Statements.

Signed of behalf of the Governing Body

PRESIDENT : 
Michael Carmody

CHAIRMAN : 
Des Mahon

DATE: 
4 December 2014

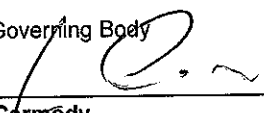
GALWAY-MAYO INSTITUTE OF TECHNOLOGY

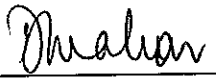
CONSOLIDATED BALANCE SHEET AS AT 31 AUGUST 2013

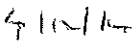
	NOTE	2013 € '000	2012 € '000
Fixed Assets			
Tangible Assets	14	68,433	70,830
Current Assets			
Debtors and Prepayments	16	1,671	1,342
Cash at Bank and in Hand		15,817	17,886
Stock		7	10
		17,495	19,238
Current Liabilities			
Creditors and accrued expenses : Amounts falling due within 1 year	17	4,387	4,662
Net Current Assets		13,108	14,576
Net Assets		81,541	85,406
Represented By			
Deferred Capital Grants	18	68,421	70,814
Income & Expenditure Account		4,093	5,360
Capital Development Reserve	23	9,027	9,232
		81,541	85,406

The statement of accounting policies, cash flow statement and Notes 1 to 28 form part of the Financial Statements.

Signed of behalf of the Governing Body

PRESIDENT : 
Michael Carmody

CHAIRMAN : 
Des Mahon

DATE: 
4 December 2014

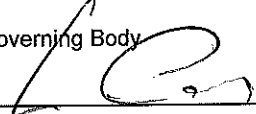
GALWAY-MAYO INSTITUTE OF TECHNOLOGY


INSTITUTE BALANCE SHEET AS AT 31 AUGUST 2013

	NOTE	2013 € '000	2012 € '000
Fixed Assets			
Tangible Assets	15	68,421	70,814
Current Assets			
Debtors and Prepayments	16	1,649	1,327
Cash at Bank and in Hand		15,726	17,734
		17,375	19,061
Current Liabilities			
Creditors and accrued expenses : Amounts falling due within 1 year	17	4,351	4,597
Net Current Assets		13,024	14,464
Net Assets		81,445	85,278
Represented By			
Deferred Capital Grants	18	68,421	70,814
Income & Expenditure Account		3,997	5,232
Capital Development Reserve	23	9,027	9,232
		81,445	85,278

The statement of accounting policies, cash flow statement and Notes 1 to 28 form part of the Financial Statements.

Signed of behalf of the Governing Body

PRESIDENT : 
Michael Carmody

CHAIRMAN : 
Des Mahon

DATE: 4 11/14
4 December 2014

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2013

	2013	2012
	€'000	€'000
Reconciliation of operating (deficit) to net cash inflow from operating activities		
Operating (Deficit)	(1,375)	(243)
Interest Income	(462)	(816)
Depreciation	3,176	3,305
Write down assets in course of construction	115	
Amortisation in line with asset Depreciation	(3,288)	(3,299)
Decrease (Increase) in Stocks	3	(3)
(Increase)/Decrease in Debtors	(464)	1,331
Decrease in Creditors	(264)	(1,431)
Net Cash(Outflow) from Operating Activities	(2,559)	(1,156)

CASH FLOW STATEMENT

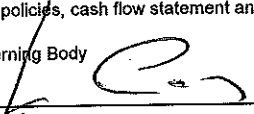
Net Cash Outflow from Operating Activities	(2,559)	(1,156)
Returns on Investment & Servicing of Finance		
Interest Received	620	791
Taxation (Paid)/Refund	(7)	4
Capital Expenditure		
Payments to acquire Fixed Assets	(921)	(1,191)
Net Cash Outflow for Capital Expenditure	(921)	(1,191)
Financing		
State Capital Grants spent on Fixed Assets	140	414
State Recurrent Grant spent on Fixed Assets	493	640
Other Funds Spent on Fixed Assets	165	107
Net Cash inflow from Financing	798	1,161
(Decrease) in Cash	(2,069)	(391)

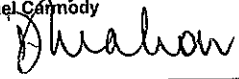
Reconciliation of net cash flow to movement in net funds

Opening net funds	17,886	18,277
Net funds at 31 August	15,817	17,886
(Decrease) in cash	(2,069)	(391)

The statement of accounting policies, cash flow statement and Notes 1 to 28 form part of the Financial Statements.

Signed on behalf of the Governing Body

PRESIDENT : 
Michael Caimody

CHAIRMAN : 
Des Mahon

DATE: 4/12/14
4 December 2014

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS

	Allocated for Recurrent Expenditure €'000	Allocated for Capital Expenditure €'000	Total 2013 €'000	Total 2012 €'000
1. STATE GRANTS				
The following is a summary of State Grants recognised in the year:				
State Grant for Recurrent Expenditure - Higher Education Authority	25,402	493	25,895	26,518
State Grant for Capital Expenditure - Higher Education Authority	0	19	19	109
State Grant for Minor Capital Works - Higher Education Authority	(121)	121	0	296
Total 2013	25,281	633	25,914	
Total 2012	25,871	1,052		26,923

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 January 2011, the Higher Education Authority took over the responsibility from the Health Service Executive for the funding of nursing recurrent expenditure.

	2013 €'000	Student Nos (WTE)	2012 €'000	Student Nos (WTE)
2. TUITION FEES				
Fees paid by State	5,022	4,502	6,351	4,706
Non EU Fees	764	120	1,036	165
Fees paid by students or on behalf of students	966	698	970	699
Lifelong Learning Fees and Other Fees	749	129	936	142
Gross Student Contribution including repeat exam fees	11,701		11,394	
Transfer to Capital Account	(20)		(14)	
	19,182	5,449	20,673	5,712

The Higher Education Authority paid Tuition Fees in the year of €2,145,375 (11/12 €2,467,803) for full time Degree courses, €2,131,500 (11/12 €3,079,335) for higher certificate and ordinary degree courses and €745,396 (€804,195) for full time nursing degree courses the total costs of which are partly funded by the ESF.

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

Annual Contribution fees are payable by students, the full time rate being set at €2,250 (2012/13), €2,000(2011/12).

	2013 €'000	2012 €'000
3. RESEARCH GRANTS & CONTRACTS		
Income		
Research Grants & Contracts	2,476	2,440
Transfer to Capital Account	(99)	(50)
	2,377	2,390
Expenditure		
Pay Costs	1,362	1,143
Non Pay Costs	1,551	1,333
	2,913	2,476
(Deficit)	(536)	(86)

	Student Assistance Fund €'000	Fund for Students with Disabilities €'000	2013 €'000	2012 €'000
4. STUDENT SUPPPORT FUNDING				
Balance at 1 September	(1)	259	258	407
Receipts	457	533	990	700
Less Transfer to Capital Account	-	(33)	(33)	(31)
<u>Amounts Applied</u>				
Pay Costs	-	412	412	400
Non Pay Costs	452	54	506	418
	452	466	918	818
Balance at 31 August	4	293	297	258

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

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS

	2013 € '000	2012 € '000
5. OTHER INCOME		
Superannuation Deductions Retained	2,184	2,228
Rental of Facilities	282	310
Pay costs recouped in respect of seconded staff	94	111
Sale of Class Materials	208	206
Photocopying Services	11	38
Springboard Initiative	193	92
HEA Funded Projects	196	228
Other Income	173	146
Transfer to Capital Account	(14)	(11)
	<u>3,327</u>	<u>3,348</u>

2012 figure for other income attributable to student services of €67,226 has been reanalysed to rental income €48,233 and other income €18,993.
2012 figure for other income of €446,855 has been reanalysed to separate out HEA funded projects income €228,149 and Springboard Initiatives €92,080 and include student services other income of €18,993.

6. ACADEMIC DEPARTMENTS		
Pay Costs	30,344	30,756
Non Pay Costs	1,824	1,998
Total	<u>32,168</u>	<u>32,754</u>

7. ACADEMIC SERVICES		
Pay Costs	1,809	1,801
Non Pay Costs	861	817
Total	<u>2,470</u>	<u>2,418</u>

8. FACILITIES COSTS		
Pay Costs	1,605	1,681
Non Pay Costs	3,683	4,423
Total	<u>5,288</u>	<u>6,104</u>

9. CENTRAL ADMINISTRATION AND SERVICES		
Pay Costs	3,685	3,537
Non Pay Costs	2,023	2,265
Total	<u>5,708</u>	<u>5,802</u>

10. GENERAL EDUCATION EXPENSES		
EXAMINATIONS:		
Pay Costs	650	643
Non Pay Costs:	277	369
Total	<u>927</u>	<u>1,012</u>

	Staff Costs	Non-Pay	2013	2012
	€'000	€'000	€ '000	€ '000
11. Student Services				
Subvention to Clubs, Societies and Students Union	0	842	842	895
Student Services	716	427	1,143	1,303
Career Advisory Services	67	18	85	95
Sports & Recreation	17	2	19	20
Health & Counselling	294	117	411	499
Total	<u>1,094</u>	<u>1,406</u>	<u>2,500</u>	<u>2,812</u>

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS

	Staff Costs € '000	Other Operating Expenses € '000	Depreciation € '000	Total 2013 € '000	Total 2012 € '000
12. ANALYSIS OF EXPENDITURE					
Research Grants & Contracts	1,362	1,551	453	3,366	2,987
Academic Departments	30,344	1,824	586	32,754	33,400
Academic Services	1,809	661	207	2,677	2,610
Facilities Costs	1,605	3,683	1,841	7,129	7,980
Central Administration & Services	3,685	2,023	48	5,756	5,855
General Education Expenses	650	277	-	927	1,012
Student Services & Amenities	1,506	1,912	35	3,453	3,652
Write down of Assets in Course of Construction	-	115	-	115	-
Catering	759	662	6	1,427	1,459
2013 Total	41,720	12,708	3,176	57,604	
2012 Total	41,858	13,792	3,305		58,955
Analysis of Other Operating Expenditure					
Maintenance Costs				1,585	2,261
Services to students				1,512	1,500
Professional Fees				1,024	1,087
Energy Costs				960	967
Materials & Other Consumables				772	919
General Education				747	870
Travel & Subsistence				723	725
Catering				662	690
Equipment				566	630
Computer costs				532	516
Other Premises Costs				509	503
Miscellaneous				427	552
Rent and Rates				403	427
Personnel Costs				386	357
Library Materials				377	317
Bad Debts Provision				287	166
Stationery & office materials				262	346
Communications				209	242
General Advertising & Publicity				201	226
Postgraduate Student Grants				142	206
Insurance				128	128
Write down of Assets in Course of Construction				115	-
Other Research Costs				109	104
Finance costs				41	22
Auditors Remuneration				28	30
Governing body expenses				1	1
				12,708	13,792

The 2012 figure for Finance costs of €187,652 has been reanalysed in 2013 accounts to split between Bad Debt Provision (€165,552) and other finance costs (€22,100).

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. CONSOLIDATED TANGIBLE FIXED ASSETS

COST OR VALUATION	LAND & BUILDINGS		BUILDINGS & FIXTURES & FITTINGS		COMPUTER EQUIPMENT	PLANT & MACHINERY		MOTOR VEHICLES & EQUIPMENT		OTHER ASSETS IN COURSE OF CONSTRUCTION	
	€'000	€'000	€'000	€'000		€'000	€'000	€'000	€'000	€'000	€'000
AT 1 SEPTEMBER 2012	104,155	89,293	669	1,687	2,929	697	94	8,579	207		
ADDITIONS	897	0	190	8	428	0	0	271	0		
TRANSFERS FROM IN COURSE OF CONSTRUCTION	0	0	0	0	0	0	0	61	(61)		
WRITE DOWN ASSETS IN COURSE OF CONSTRUCTION	(115)	0	(115)	0	0	0	0	0	0		
DISPOSALS	(213)	0	0	0	(153)	0	0	(60)	0		
AT 31 AUGUST 2013	104,724	89,293	744	1,695	3,204	697	94	8,851	146		
DEPRECIATION											
AT 1 SEPTEMBER 2012	33,325	22,705	0	1,468	2,230	469	78	6,375	0		
CHARGE FOR YEAR	3,176	1,626	0	66	443	51	11	979	0		
DISPOSALS	(210)	0	0	0	(153)	0	0	(57)	0		
AT 31 AUGUST 2013	36,291	24,331	0	1,534	2,520	520	89	7,297	0		
NET BOOK VALUE											
AT 31 AUGUST 2013	68,433	64,962	744	161	684	177	5	1,554	146		
AT 1 SEPTEMBER 2012	70,830	66,588	669	219	699	228	16	2,204	207		

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

15. INSTITUTE TANGIBLE FIXED ASSETS

COST OR VALUATION	TOTAL BUILDINGS €'000	LAND & IN COURSE OF BUILDINGS CONSTRUCTION €'000	BUILDINGS CONSTRUCTION €'000	FIXTURES & FITTINGS INCL PREFABS €'000	COMPUTER EQUIPMENT €'000	PLANT & MACHINERY €'000	MOTOR VEHICLES €'000	FURNITURE & EQUIPMENT €'000	OTHER ASSETS IN COURSE OF CONSTRUCTION €'000
AT 1 SEPTEMBER 2012	104,119	89,293	669	1,687	2,929	697	94	8,543	207
ADDITIONS	895	0	190	8	428	0	0	269	0
TRANSFERS FROM IN COURSE OF CONSTRUCTION	0	0	0	0	0	0	0	61	(61)
WRITE DOWN ASSETS IN COURSE OF CONSTRUCTION	(115)	0	(115)	0	0	0	0	0	0
DISPOSALS	(213)	0	0	0	(153)	0	0	(60)	0
AT 31 AUGUST 2013	<u>104,686</u>	<u>89,293</u>	<u>744</u>	<u>1,695</u>	<u>3,204</u>	<u>697</u>	<u>94</u>	<u>8,813</u>	<u>146</u>
DEPRECIATION									
AT 1 SEPTEMBER 2012	33,305	22,705	0	1,468	2,230	469	78	6,355	0
CHARGE FOR YEAR	3,170	1,626	0	66	443	51	11	973	0
DISPOSALS	(210)	0	0	0	(153)	0	0	(57)	0
AT 31 AUGUST 2013	<u>36,265</u>	<u>24,331</u>	<u>0</u>	<u>1,534</u>	<u>2,520</u>	<u>520</u>	<u>89</u>	<u>7,271</u>	<u>0</u>
NET BOOK VALUE									
AT 31 AUGUST 2013	<u>68,421</u>	<u>64,962</u>	<u>744</u>	<u>161</u>	<u>684</u>	<u>177</u>	<u>5</u>	<u>1,542</u>	<u>146</u>
AT 1 SEPTEMBER 2012	<u>70,814</u>	<u>66,588</u>	<u>669</u>	<u>219</u>	<u>699</u>	<u>228</u>	<u>16</u>	<u>2,188</u>	<u>207</u>

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

	Consolidated	2012	Institute	2012
NOTE	2013	€ '000	2013	€ '000
16. DEBTORS AND PREPAYMENTS				
State Recurrent Grant	335	202	335	202
Tuition Fees	349	211	349	211
Student Maintenance Grants	20 4	0	4	0
Other Debtors	190	253	171	242
Prepayments & Accrued Income	174	383	171	379
State & Other Capital Grant	41	41	41	41
Research Grants & Contracts	578	252	578	252
	<u>1,671</u>	<u>1,342</u>	<u>1,649</u>	<u>1,327</u>

17. CREDITORS AND ACCRUED EXPENSES

Payments received in advance:

- Research Grants & Contracts	861	679	861	679
- Tuition Fees	445	691	445	691
- Student Support Funding	297	258	297	258
Student Maintenance Grants	20 0	2	0	2
	<u>1,603</u>	<u>1,630</u>	<u>1,603</u>	<u>1,630</u>

Trade Creditors and Accruals:

PAYE	628	669	625	666
PRSI	316	318	312	314
Income Tax Withheld	10	5	10	5
Trade Creditors	216	225	205	205
Accruals	1,614	1,815	1,596	1,777
	<u>4,387</u>	<u>4,662</u>	<u>4,351</u>	<u>4,597</u>

18. DEFERRED CAPITAL GRANTS

	2013	2012
	€ '000	€ '000
Balance at 1 September	<u>70,814</u>	<u>72,973</u>
Capital Grants Receivable:		
State Capital Grants - Higher Education Authority	140	412
Allocated from State Recurrent Grant - Higher Education Authority	493	640
Other Capital Funding	262	107
	<u>895</u>	<u>1,159</u>
Release to Income:		
Amortisation in line with depreciation	3,170	3,300
Release to Income re NBV on Disposals	3	18
Write down assets in course of construction	115	0
	<u>3,288</u>	<u>3,318</u>
Balance at 31 August	<u>68,421</u>	<u>70,814</u>

19. CONTINGENCIES

There were no Contingent Liabilities

20. CAPITAL COMMITMENTS CONTRACTED FOR BUT NOT PROVIDED

Estimated Capital Commitments of €174,891 (11/12 €268,479) existed at the end of the period.

21. STUDENT MAINTENANCE GRANTS

	2013	2012
	€ '000	€ '000
Balance at 1 September	2	(11)
Receipts from HEA (Colleges Section)	1,833	3,811
Receipts from HEA (Student Support Unit)	662	1,338
Payments to Students	(1,840)	(3,805)
Payments to Students (Top ups)	(661)	(1,331)
Balance at 31 August	<u>(4)</u>	<u>2</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 Skills with co funding provided by the European Social Fund (ESF). These transactions are not included separately in the Income and Expenditure Account.

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS

As Restated

22. NUMBER OF WHOLETIME EQUIVALENT EMPLOYEES EMPLOYED

	2013	2012
Full-time	480	468
Part-time	172	183
Total	<u>652</u>	<u>651</u>

23. Capital Development Reserve

	2013	2012
	€ '000	€ '000
Opening balance at 1 September	9,232	9,276
Transfer (to) Income & Expenditure Account	<u>(108)</u>	<u>(44)</u>
	9,124	9,232
Transfer to Capital Account	<u>(97)</u>	<u>0</u>
Amount of fund at 31 August	<u>9,027</u>	<u>9,232</u>

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

24. COMPARATIVE FIGURES

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

25. 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 the disclosure of interests by members of the Governing Body and the Institute has complied with these procedures during the year.

26. 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 2013:

	2013	2012
	€ '000	€ '000
Sales	<u>1,394</u>	<u>1,478</u>
Staff Costs	759	764
Consumables & Other Expenses	<u>662</u>	<u>690</u>
Total Expenditure excluding Depreciation	<u>1,421</u>	<u>1,454</u>
Depreciation	<u>6</u>	<u>5</u>
	<u>1,427</u>	<u>1,459</u>
Surplus/(Deficit) after Depreciation	(33)	19
Opening Accumulated Surplus at 1st Sept	<u>128</u>	<u>109</u>
Accumulated Surplus at 31 August	<u>95</u>	<u>128</u>

27. OTHER MATTERS

An investigation was carried out into the manner in which the Institute dealt with a complaint of plagiarism. The total cost of this investigation was €436,060 of which €186,788 is included in the 2013 accounts, €141,826 in the 2012 accounts and €24,079 in the 2011 accounts. The balance of expenditure will be included in the 2014 accounts. The report of the investigation was provided to the Institute in October 2013 and the disciplinary procedure has been invoked.

28. APPROVAL OF THE FINANCIAL STATEMENTS

The Financial Statements were approved by the Governing Body on 4th December, 2014.