

INSTITUTE OF TECHNOLOGY, SLIGO

**FINANCIAL STATEMENTS FOR YEAR ENDED 31ST AUGUST
2010**

INSTITUTE OF TECHNOLOGY, SLIGO

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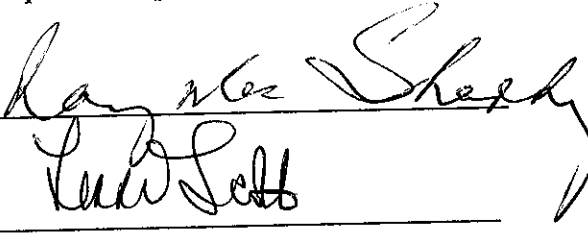
INSTITUTE OF TECHNOLOGY, SLIGO


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

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.

Chairman 

President 

INSTITUTE OF TECHNOLOGY, SLIGO

Statement on Internal Control

Responsibility for Internal Controls

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

The system can only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected on a timely basis.

Key Control Procedures

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

- Key control procedures and regulations have been documented and are reviewed annually by the internal auditors.
- Regular reviews by the Governing Body of periodic and annual financial and other reports which include performance against budget or other key performance indicators.
- Clearly defining capital investment control guidelines
- An audit committee, with defined audit charter in place, with clear terms of reference which deals with significant control issues and receives the reports of both internal and external auditors.

The Institute has an outsourced internal audit function, which operates in accordance with the Code of Governance of Irish Institutes of Technology. An internal audit strategy for 2009 – 2011 has been developed based on risk assessment. This audit strategy has been approved by the audit committee on behalf of the Governing Body. The Internal Auditors carried out a review of internal controls in November 2010.

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

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

We confirm that the Governing Body approved the Code of Governance of Irish Institutes of Technology, dated January 2009, at its meeting on 20th May 2009. The Governing Body is committed to fully implementing the Code.

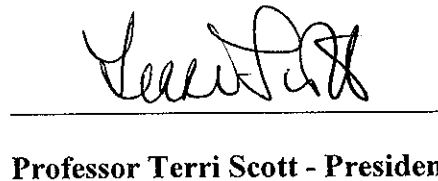
Annual Review of Controls

The Governing Body carried out a review of the effectiveness of the system of internal control for the year-ended 31 August 2010 in June 2011.

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



Ray McSharry - Chairman



Professor Terri Scott - President

Date

12/12/2011

Date

12/12/2011



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

Institute of Technology Sligo

I have audited the financial statements of the Institute of Technology Sligo for the year ended 31 August 2010 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 income and expenditure account, the balance sheet, the 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 Institute's affairs and of its 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 Institute's affairs at 31 August 2010 and of its 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 control for the year ended 31 August 2010 in June 2011.

I have nothing to report in regard to other matters.

John Buckley
Comptroller and Auditor General

21 December 2011

INSTITUTE OF TECHNOLOGY, SLIGO

Statement of Accounting Policies for year ended 31st August 2010

The significant accounting policies adopted by Institute of Technology, Sligo 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/DIT 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. 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.

Devolved Grants:

The Minister for Education and Skills 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 in the period received.

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.

Interest Income:

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

INSTITUTE OF TECHNOLOGY, SLIGO

Statement of Accounting Policies for year ended 31st August 2010

3. ANCILLARY ACTIVITIES

The financial statements of certain entities do not form part of the accounts of the Institute. These statements are audited by independent auditors. Note 21 sets out information on ancillary activities including Income, Expenditure and Summary Balance Sheet.

4. STOCKS

Expenditure on books and consumable stocks is charged to the Income and Expenditure Account as incurred.

5. LIQUID RESOURCES

Liquid resources comprise short-term deposits of less than one year.

6. 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. 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.

INSTITUTE OF TECHNOLOGY, SLIGO

Statement of Accounting Policies for year ended 31st August 2010

(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 2008 will continue to be depreciated on the basis of a four year life straight line depreciation policy. Computer Equipment purchased after that date will be depreciated on a three year life 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.

Leased Land and Buildings are depreciated over the life of the lease.

7. 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.

8. 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.

INSTITUTE OF TECHNOLOGY, SLIGO

Statement of Accounting Policies for year ended 31st August 2010

9. DEFERRED CAPITAL GRANTS

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

10. CAPITAL DEVELOPMENT RESERVE

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

11. LEASED ASSETS

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

INSTITUTE OF TECHNOLOGY, SLIGO

Income And Expenditure Account for the Year Ended 31 August 2010

INCOME	NOTE	2010 €'000s	2009 €'000s
State Grant	1	19,580	21,055
Tuition Fees	2	11,768	10,902
Student Registration Charge	3	5,878	3,410
Amortisation of Deferred Capital Grants	17	2,811	2,648
Research Grants and Contracts	4	1,817	1,793
Other Income	6	2,949	2,420
Student Support Funding Income recognised	5	220	282
Interest Income		552	1,031
		<u>45,575</u>	<u>43,541</u>
EXPENDITURE			
Academic Departments	7	24,249	25,833
Academic Services	8	1,728	1,912
Facilities Costs	9	2,639	2,846
Central Administration and Services	10	3,328	3,596
General Educational Expenses	11	1,226	1,029
Student Registration Fees	3	1,030	905
Research Grants and Contracts	4	1,746	1,742
Student Support Funding Income applied	5	220	282
Other		352	384
Depreciation	14	2,811	2,648
		<u>39,329</u>	<u>41,177</u>
OPERATING SURPLUS		<u>6,246</u>	<u>2,364</u>
TRANSFER TO CAPITAL DEVELOPMENT RESERVE		(9,093)	(1,450)
ACCUMULATED SURPLUS AT 1st SEPTEMBER		<u>8,492</u>	<u>7,578</u>
ACCUMULATED SURPLUS AT 31st AUGUST		<u><u>5,645</u></u>	<u><u>8,492</u></u>

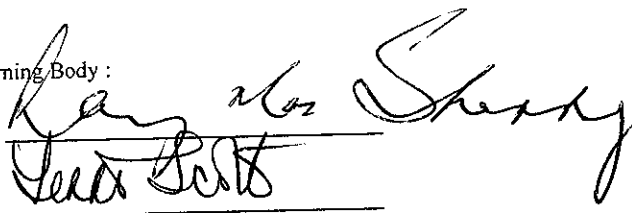
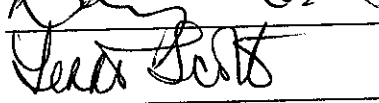
There are no gains or losses other than those recognised above.

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 :

Chairman

President

INSTITUTE OF TECHNOLOGY, SLIGO

Balance Sheet for the Year Ended 31 August 2010

	NOTE	2010 €'000s	2009 €'000s
FIXED ASSETS	14	63,222	59,502
		<u>63,222</u>	<u>59,502</u>
CURRENT ASSETS			
Debtors and Prepayments	15	6,126	812
Cash at bank and in hand		19,286	21,077
		<u>25,412</u>	<u>21,889</u>
CURRENT LIABILITIES			
Creditors and Accrued Expenses - Amounts falling due within one year	16	6,467	9,132
		<u>18,945</u>	<u>12,757</u>
NET CURRENT ASSETS			
		<u>82,167</u>	<u>72,259</u>
NET ASSETS			
Represented by :			
Deferred Capital Grants	17	63,222	59,502
Income and Expenditure Account		5,645	8,492
Capital Development Reserve	20	13,300	4,265
		<u>82,167</u>	<u>72,259</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 :

Chairman

President

The image shows two handwritten signatures in black ink. The top signature is for the Chairman and the bottom signature is for the President. Both signatures are written over horizontal lines.

INSTITUTE OF TECHNOLOGY, SLIGO

Cash flow Statement for the Year ended 31 August 2010

	2010 €'000	2009 €'000
Reconciliation of operating deficit to net cash inflow from operating activities		
Operating Surplus	6,246	2,364
Interest Income	(552)	(1,031)
Depreciation	2,811	2,648
Amortisation in line with asset depreciation	(2,811)	(2,648)
(Increase)/Decrease in Debtors	(884)	1,797
(Decrease)/Increase in Creditors	(1,583)	2,237
Net Cash (Outflow)/Inflow from Operating Activities	3,227	5,367

Cash Flow Statement

Net Cash (Outflow)/Inflow from Operating Activities	3,227	5,367
Interest Received	552	1,031
Capital Expenditure	(7,613)	(3,615)
Payments to acquire Fixed Assets	(7,613)	(3,615)
<i>Net Cash Outflow for capital expenditure</i>	(7,613)	(3,615)
Financing		
State Capital Grants Income Spent on Fixed Assets	1,346	267
State Recurrent Grants Income Spent on Fixed Assets	582	895
Other funds spent on Fixed Assets	115	457
<i>Net Cash Inflow from Financing</i>	2,043	1,619
(Decrease)/Increase in Cash	(1,791)	4,402

Reconciliation of net cash flow to movement in net funds

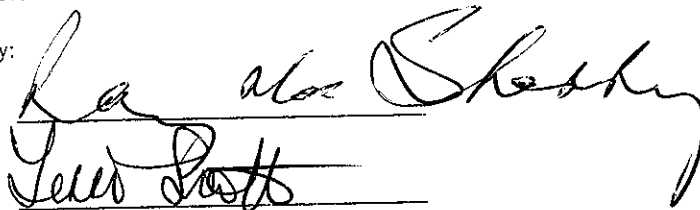
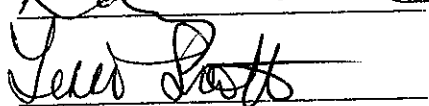
(Decrease)/Increase in Cash	(1,791)	4,402
Opening net funds	21,077	16,675
Net Funds at 31 August	19,286	21,077

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:

Chairman

President

INSTITUTE OF TECHNOLOGY, SLIGO

Notes to the Financial Statements

1. STATE GRANTS

	Allocated for Recurrent Expenditure €'000's	Allocated for Capital Expenditure €'000's	Total 2010 €'000's	Total 2009 €'000's
State Grant for Recurrent Expenditure - Higher Education Authority	20,227	582	20,809	21,715
State Grant for Minor Capital Works - Department of Education and Skills	(665)	1,346	681	418
State Grant for Capital Expenditure - Department of Education and Skills	18	4,430	4,448	84
Total - 2010	19,580	6,358	25,938	22,217
Total - 2009	21,055	1,162	22,217	

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

2. TUITION FEES

	2010 Student No. (WTE)	2010 €000's	2009 Student No. (WTE)	2009 €'000s
Fees Paid by State	3,679	6,600	3,441	6,169
Non-EU Fees	3	27	3	60
Fees paid by students or on behalf of students	226	369	139	348
Life Long Learning and Other Fees	932	4,772	1,246	4,327
- Less allocated for capital expenditure	-	-	-	(2)
	4,840	11,768	4,829	10,902

The Department of Education and Skills paid tuition fees in the year of €3,268,659 for full time degree courses and €3,331,221 for higher certificate and ordinary degree courses the total costs of which are part funded by the ESF.

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

3. Student Registration Fees

(a) Annual Registration Fees are payable by students, the full time rate being set at €1500 for the 2009/10 academic year. By direction of the Department of Education and Skills, €995 of each full time fee is retained by the Institute and applied to meet recurrent expenditure. This amounted to €3,927,000 in the year of account. The balance of €2,003,000 was used to provide facilities and services for students.

	2010 €'000s	2009 €'000s
(b) Application of Registration Charges		
Gross Registration Charges including repeat exam fees	5,930	3,411
- Less allocated for capital expenditure	(52)	(1)
	5,878	3,410
Less Expenses incurred directly from the Student Registration fee	(1,030)	(905)
Net Income	4,848	2,505
Transfers in relation to:		
Interest income on Restricted funds	150	196
Capital Development Reserve	(1,071)	(1,450)
Retained for Recurrent Expenditure	3,927	1,251

INSTITUTE OF TECHNOLOGY, SLIGO

Notes to the Financial Statements

4. RESEARCH GRANTS AND CONTRACTS

	2010 €'000s	2009 €'000s
Income		
Research Grants and Contracts	1,881	2,229
- Less allocated for capital expenditure	(64)	(436)
	<u>1,817</u>	<u>1,793</u>
 Expenditure		
Staff Costs	972	880
Non-Pay Costs	420	387
Research materials	151	119
Consultancy Costs	47	115
Legal fees	96	134
Travel and Subsistence	35	35
Training and development	4	14
Equipment (Non Capitalised) purchases and maintenance	21	58
Other Expenses	<u>1,746</u>	<u>1,742</u>
 Net Outcome	<u>71</u>	<u>51</u>

Included in the Research Grant and Contract Income is an amount of €15,227 in respect of overhead recovery. The balance represents direct costs recovered for research work undertaken as outlined under Expenditure headings above.

5. STUDENT SUPPORT FUNDING

	Disabilities €'000s	Student Assistance €'000s	2010 €'000s	2009 €'000s
Balance at 1 September 2009	14	63	77	171
Receipts				
Higher Education Authority	90	130	220	204
Amounts Applied				
Capital (equipment)	-	-	-	16
Non-capital	57	163	220	282
Balance at 31 August 2010	<u>47</u>	<u>30</u>	<u>77</u>	<u>77</u>

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

INSTITUTE OF TECHNOLOGY, SLIGO

Notes to the Financial Statements

6. OTHER INCOME

	2010	2009
	€'000s	€'000s
Superannuation Deductions Retained	1,676	1,722
Rental of Facilities	122	105
Pay Costs recouped in respect of Seconded Staff	293	291
Photocopying and Printing Services	76	35
Donations/Sponsorships	100	-
Proceeds from Sale of Class Material	12	7
Insurance Claims	53	-
Socrates/Erasmus	78	93
Sundry Income	539	167
	<u><u>2,949</u></u>	<u><u>2,420</u></u>

7. ACADEMIC DEPARTMENTS

	2010	2009
	Total	Total
	€000's	€000's
Staff: Teaching	18,817	20,073
Technical	1,787	1,822
Administrative and Support	2,188	2,258
Non-Pay Costs:		
Classroom materials	716	870
Payments to students and suppliers re TFS program	283	269
Training and staff development	81	137
Travel and subsistence	175	221
Other Expenses	202	183
TOTAL	<u><u>24,249</u></u>	<u><u>25,833</u></u>

8. ACADEMIC SERVICES

	2010	2009
	Total	Total
	€000's	€000's
Staff: Library & Computer Services	1,241	1,421
Non-Pay Costs:		
Printed Material, books and periodicals	194	245
Other Expenses	293	246
TOTAL	<u><u>1,728</u></u>	<u><u>1,912</u></u>

INSTITUTE OF TECHNOLOGY, SLIGO

Notes to the Financial Statements

9. FACILITIES COSTS

	2010 Total €000's	2009 Total €000's
Staff:		
Caretakers, Cleaning, Maintenance	579	592
Administration	344	427
Non-Pay Costs:		
Light, Heat and Power	442	502
Maintenance	422	433
Cleaning	368	422
Rent and Rates	138	141
Security	245	246
Other Expenses	101	83
TOTAL	<u>2,639</u>	<u>2,846</u>

10. CENTRAL ADMINISTRATION AND SERVICES

	2010 Total €000's	2009 Total €000's
Staff :		
Administration	2,401	2,424
Non-Pay Costs:		
Printing, Stationery & other Office Expenses	120	100
Communications	166	194
Recruitment, Training etc.	64	118
Travel and Subsistence	87	73
Insurance	62	71
Subscriptions to Sectoral Bodies	112	123
Marketing and Advertising	24	129
Architects Fees	2	25
Legal Fees	35	29
Internal Audit	48	53
External Audit fees	27	30
Other Professional fees	145	113
Other Expenses	35	114
TOTAL	<u>3,328</u>	<u>3,596</u>

11. GENERAL EDUCATIONAL EXPENSES

	2010 €000's	2009 €000's
Staff:		
Student Support	858	931
Non-Pay Costs:		
Other Expenses	368	98
TOTAL	<u>1,226</u>	<u>1,029</u>

INSTITUTE OF TECHNOLOGY, SLIGO

Notes to the Financial Statements

12. ANALYSIS OF EXPENDITURE

	Staff Costs €000's	Depreciation €000's	Other operating expenses €000's	2010 €000's	2009 €000's
Academic Department	22,792	-	1,457	24,249	25,833
Academic Services	1,241	-	487	1,728	1,912
Facilities Costs	923	-	1,716	2,639	2,846
General Administration and Services	2,401	-	927	3,328	3,596
General Education Expenses	858	-	368	1,226	1,029
Student registration fees	164	-	866	1,030	905
Research Grants and Contracts	972	-	774	1,746	1,742
Student Support funding	-	-	220	220	282
Other	273	-	79	352	384
Depreciation	-	2,811	-	2,811	2,648
2010 Total	29,624	2,811	6,894	39,329	41,177
2009 Total	31,332	2,648	7,197	41,177	

Analysis of Other Operating Expenditure

Classroom materials	709	767
Library materials	194	245
IT licencing/upgrade and maintenance	235	212
General Education	286	386
Student Services	479	462
Students Union and Clubs and Societies subvention	582	413
Grants to students funded by external bodies	179	167
Research costs	645	701
Equipment < €3,000	28	41
Light and Heat	443	502
Security	246	246
Cleaning and waste disposal	368	461
Services and repairs	509	512
Rent	75	92
Water rates	87	49
Travel, subsistence, etc	288	427
Training and development	132	211
Professional fees	497	528
Communication costs	169	195
Office stationery and supplies	223	176
Advertising of courses	353	183
Staff recruitment costs	40	81
Insurance costs	127	140
Total	6,894	7,197

Notes to the Financial Statements

13. TAXATION

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

14. FIXED ASSETS

	Total €'000s	Buildings €'000s	Buildings in course of construction €000s	Fixtures & Fittings incl. Prefabs €000s	Computer Equipment €'000s	Plant & Machinery €000s	Equipment €000s	Motor Vehicles €'000s
Cost or Valuation At 1 September 2009	90,011	66,692	-	2,988	7,805	1,747	10,696	83
Additions	6,531	439	4,413	310	482	149	738	
	<u>96,542</u>	<u>67,131</u>	<u>4,413</u>	<u>3,298</u>	<u>8,287</u>	<u>1,896</u>	<u>11,434</u>	<u>83</u>
Depreciation At 1 September 2009	(30,509)	(11,747)	-	(2,376)	(6,916)	(1,083)	(8,311)	(76)
Charge for year	(2,811)	(1,302)	-	(211)	(372)	(99)	(825)	(2)
	<u>(33,320)</u>	<u>(13,049)</u>	<u>-</u>	<u>(2,587)</u>	<u>(7,288)</u>	<u>(1,182)</u>	<u>(9,136)</u>	<u>(78)</u>
Net Book Value At 31 August 2010	<u>63,222</u>	<u>54,082</u>	<u>4,413</u>	<u>711</u>	<u>999</u>	<u>714</u>	<u>2,298</u>	<u>5</u>
Net Book Value At 31 August 2009	<u>59,502</u>	<u>54,945</u>	<u>-</u>	<u>612</u>	<u>889</u>	<u>664</u>	<u>2,385</u>	<u>7</u>

Cost or Valuation:

Buildings in existence on 1 January 1993 have been valued on a depreciated replacement cost basis. No value was attributed to land in existence at that date. All other fixed assets in existence on that date have been valued by the Institute on the basis of open market value for existing use. Subsequent additions are stated at cost.

15. DEBTORS AND PREPAYMENTS

	2010 €'000s	2009 €'000s
Tuition Fees	2	-
State Recurrent Grant	460	-
State & Other Capital Grant	4,430	-
Research Grants and Contracts	462	313
Prepayments and Accrued Income	364	268
Other Debtors	408	231
Total	<u>6,126</u>	<u>812</u>

Notes to the Financial Statements

16. CREDITORS AND ACCRUED EXPENSES

	2010 €'000s	2009 €'000s
AMOUNTS FALLING DUE WITHIN ONE YEAR		
Payments Received in Advance :		
State Recurrent Grant	-	377
Research Grants and Contracts	2,090	1,497
Deferred Income Student Support Funding	77	77
Student Registration Charges Payable	169	306
	<u>2,336</u>	<u>2,257</u>
Trade Creditors and Accruals	1,834	3,272
State Capital Grant	363	681
PAYE	336	456
PRSI	249	286
Other Creditors	124	239
Accruals and Deferred Income	1,225	1,941
	<u>4,131</u>	<u>6,875</u>
	<u>6,467</u>	<u>9,132</u>

17. DEFERRED CAPITAL GRANTS

	2010 €'000s	2009 €'000s
Opening Balance	59,502	57,613
Capital Grants Receivable		
State Grant for Minor Capital Works - Department of Education and Skills	1,346	267
State Capital Grants - Dept of Education and Skills	4,430	-
Allocated from State Recurrent Grant - Higher Education Authority	582	895
State Capital Grants - Higher Education Authority	-	83
State Capital Grants - Enterprise Ireland	4	248
Other Capital Grants/Funding	111	126
	<u>6,473</u>	<u>1,619</u>
Transfer (to)/from Capital Development Reserve (Note 20)	58	2,920
Disposal of assets at cost	-	(150)
Reversal of depreciation relating to assets disposed	-	148
Release to Income		
Amortisation in Line with Asset Depreciation	<u>(2,811)</u>	<u>(2,648)</u>
Closing Balance	<u>63,222</u>	<u>59,502</u>

18. CAPITAL COMMITMENTS CONTRACTED FOR BUT NOT PROVIDED

The Institute had capital commitments of €3,089,000 at 31 August 2010.

Notes to the Financial Statements

19. Student Maintenance Grants

	2010 €'000s	2009 €'000s
Receipts from Department of Education and Skills (Colleges Section)	4,084	3,628
Receipts from Department of Education and Skills (Student Support Unit)	1,433	1,148
Payments to students	(4,084)	(3,652)
Payments to students (top ups)	(1,433)	(1,119)
Net Cash Inflow	-	5
Opening Balance	-	(5)
Closing Balance	-	-

The Institute processes payments to students in respect of ESF 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.

20. Capital Development Reserve

	2010 €'000s	2009 €'000s
Balance as at 1st September 2009	4,265	5,735
Transfer from Income & Expenditure:		
Transfer from Revenue Reserves	8,022	-
Transfer from student registration fees	1,071	1,450
	9,093	1,450
Transfer to Capital Account	(58)	(2,920)
Closing Balance as at 31st August 2010	13,300	4,265

The Capital Development Reserve was disclosed in previous years as a "Restricted Reserve". In the current year the balance is made up of the Capital Commitments disclosed in note 18. In addition the Governing Body of the Institute has approved a capital project for the refurbishment and extension of the Science Block. The budget currently approved for this project is €10.2M which has also been provided for in the balance.

Notes to the Financial Statements

21. Ancillary Activities

(a) Research, Consultancy and Development

Certain research, consultancy and development activities of the Institute are conducted through Institute of Technology, Sligo Consultancy Research and Enterprise Development Limited (CREDCO). The Company is limited by guarantee.

From August 2002 no new Research Projects were undertaken by Credco. All research projects in existence at that time have since been completed. All new Research Projects have been undertaken through the the Institute from that date onwards.

The financial results of the company per the audited accounts for the year ended 31 August 2010 were as follows:

	2010 €000's Audited	2009 €000's Audited
Income	160	143
Expenditure	(158)	(138)
Surplus/(Deficit)	2	5
Net Assets	155	153

(b) Commercial Services

Ballinode Catering and Services Limited a company limited by guarantee operates various commercial services within the College such as student health services, recreational facilities, etc.

The financial results of the company per the audited accounts for the year ended 31 August 2010 were as follows:

	2010 €000's Audited	2009 €000's Audited
Income	310	330
Expenditure	(328)	(347)
Surplus/(Deficit)	(18)	(16)
Net Assets	74	92

The financial statements of these entities do not form part of the accounts of the Institute. The financial statements of the companies are audited by independent auditors.

22 Contingencies

In January 2011 the contractor JJ Rhatigan and Company made a claim under the contract for extension and refurbishment of the library block for extra works/cost totalling €1,693,000. This claim was reviewed by the Institute's design team and they accepted in total €88,000 of this claim and rejected the rest. This was communicated to JJ Rhatigan and Company on the 21st April 2011. On 3rd October 2011, JJ Rhatigan and company requested that the Institute go into conciliation with them, as per clause 13.4 of the contract, on the issues underpinning their claim. While the Institute has agreed to this request, no provision has been made in these accounts based on the advice of the design team.

23 Disclosure of Transactions - Governing Body Members

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

24 Employees

The average number of employees (whole-time equivalents) during the year was 478 (2009 - 484)

25 Comparative figures

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

26 Approval of Financial Statements

The financial statements were approved by the Governing Body on the 12th December 2011.