RSM

Technological Higher Education Association
(formerly IOTI)
(A Company Limited by Guarantee and Not Having a Share Capital)

Financial statements

31 December 2017

"We hereby certify that the attached are a true copy of the financial statement laid or to be laid before the company's Annual General Meeting"

Patricia Mulcahy
Director

Gearoid Hodgins
Company Secretary

Technological Higher Education Association
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Technological Higher Education Association
(formerly IOTI)
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Company information

Directors	Prof. Ciaran O'Cathain	Dr William Donnelly
	Mr. Paul Hannigan	Prof. Brian Norton
	Dr. Annie Doona	Dr. Diarmuid O'Callaghan
	Dr. Oliver Murphy	Dr. Brendan McCormack
	Dr. Patricia Mulcahy	Dr. James (Barry) O'Connor (Appointed 08/09/2017)
	Mr. Thomas Stone	Dr. Michael Mulvey (Appointed 24/10/17)
	Prof. Vincent Cunnane	Dr. Brendan Jeremiah Murphy (Resigned 31/08/2017)
	Dr. Fergal Barry	Ms. Ann Campbell (Resigned 30/09/2017)
Secretary	Gearoid Hodgins	
Chief executive	Dr. Joseph Ryan (Appointed 01/02/2017) Prof. Tom Collins (Appointed as Interim CEO 01/08/2016, resigned 31/01/2017)	
Company number	403738	
Charity number	CHY 17033	
Registered office	First Floor Fumbally Square Fumbally Lane Dublin 8	
Auditor	RSM Ireland Trinity House Charleston Road Ranelagh Dublin 6	
Bankers	Bank of Ireland plc St Stephen's Green Dublin 2	ICS Building Society New Century House IFSC, Mayor Street Lower Dublin 1

RSM

Solicitors

Arthur Cox & Co.
Earlsfort Centre
Earlsfort Terrace
Dublin 2

Directors' report
Year ended 31 December 2017

The directors present their report and the financial statements of the company for the year ended 31 December 2017.

Objectives and Activities of THEA

The principal activity of the company is the provision of advocacy, representational, management and support services to the fourteen member Institutes of Technology.

The main object for which the Association has been established is:

(a) to support and promote the development of education in and the management teams of Institutes of Technology (in particular by the collective representation of the Presidents of Athlone Institute of Technology; Institute of Technology, Blanchardstown; Institute of Technology, Carlow; Cork Institute of Technology; Dublin Institute of Technology; Dundalk Institute of Technology; Dun Laoghaire Institute of Art, Design and Technology; Galway-Mayo Institute of Technology; Letterkenny Institute of Technology; Limerick Institute of Technology; Institute of Technology, Sligo; Institute of Technology, Tallaght; Institute of Technology, Tralee; Waterford Institute of Technology and of such other educational institutions as may be recognised for the purpose by the Association (collectively "the Participating Institutions")) on the formulation and execution of common policy in the higher education sector in which the Institutes participate for the development of education and research and to assist those of the Participating Institutions who wish to do so to become Technological Universities and to advance the interests of the Participating Institutions for the benefit of communities in which they operate from time to time.

The following objects are subsidiary and ancillary to the foregoing and for the purposes aforesaid:

(i) to provide a source of information to third parties concerning the participating institutions, their work organisational objectives, and the courses and the facilities provided by them;

(ii) to undertake, commission and carry out research and consultancy work of relevance to the participating institutions and to disseminate the results of such research and consultancy work both within and outside the Participating Institutions;

(iii) to act as an agent for the Participating Institutions and to otherwise facilitate the participating institutions in or about the procurement of goods and services by or for the participating institutions and to supply goods and services to the Participating Institutions;

(iv) to promote international relationships with similar organisations in other countries, to develop international co-operation in research, teaching and learning, and to establish formal links with international education agencies;

(v) to assist in the development of a common position on higher education policy issues amongst the participating institutions;

(vi) to advise Government, the Higher Education Authority, the institutions of the European Union and other relevant agencies or bodies regarding the views and policies of the participating institutions;

(vii) to nominate persons to statutory and other bodies at the request of the Minister for Education and Skills and other appointing persons or bodies;

(viii) to facilitate the provision of scholarships, fellowships and other benefits for the students of its members and to solicit and procure funding for same by any lawful means.

It enables the Presidents of the fourteen member Institutes of Technology established under the Institutes of Technology Acts 1992-2006 to co-ordinate the work of the Institutes nationally, and it supports the management teams of the Institutes in the discharge of their duties towards their respective institutions.

Achievements and Performance

Academic Affairs and International

In 2017, the most significant development was the launch of THEA. In this regard, the Academic Affairs desk made significant contributions to the planning and organisation of the THEA Launch Conference, a major event attended by over 200 delegates, which took place in Croke Park on 3 April 2017. The event provided a timely opportunity to reflect on the achievements of the technological higher education sector to date and to envision its future and offered a rare opportunity to engage with a range of influential and diverse perspectives. It garnered significant and positive publicity for the technological higher education sector, both in traditional and social media, and amongst key national stakeholders. At the same event, the Technological Higher Education Quality Framework was published and launched, which marked the conclusion of a major project that was led by the Academic Affairs desk in THEA, and included the participation of all 14 institutes of Technology over the preceding three years. Following the launch conference, the Academic Affairs desk was assigned the role of leading the development of THEA's first strategic plan, which will be published later in 2018.

2018 saw the holding of the first annual Technological Higher Education Association (THEA) Colloquium in GMIT on 10 May 2018. The three core themes for the day revolved around a central theme of 'Engagement' and it brought together students, agencies, enterprises, further education, policy makers, and the voluntary sector to explore the reality of the 'Engaged Institution' and how to meet the challenges ahead while working with industry, community, and policy-makers.

THEA Academic Affairs also continued in its role as co-sponsor of the Irish Survey of Student Engagement (with the IUA, HEA and USI), and co-chair of the ISSE plenary steering group. A fourth iteration of the survey took place in 2017, in which over 35,850 students responded across 27 higher education institutions, representing a response rate of 27.2% and maintaining continued increases each year (22.2% response rate in 2016). Finally, THEA Academic Affairs contributed actively to a range of policy and related developments in higher education, including representing the sector on the Apprenticeship Council, the national Transitions Reform Steering Group, and the National Forum for Teaching and Learning's Student Success Project Group. Submission on Policy were made, including on the reform of the National Training Fund.

International Activity

Through the International desk, THEA is a member of the OECD Programme on Institutional Management in Higher Education, EURASHE (European Association of Institutions of Higher Education), UASnet (European Universities of Applied Science Network), and contributes to the work of these organisations on an ongoing basis.

The THEA International desk also provides a shared service on aspects of the Institutes' International Education student mobility activities. The main shared service activities in 2017 focused on China, Canada and Brazil. THEA also facilitated input to the national brand 'Education in Ireland' through participation in various workshops and research activities.

THEA expanded collaboration with Canada to include British Columbia, where an MOU with a network of colleges was signed in June 2016. THEA worked with ICEF to develop a training programme for agents recruiting students for the Irish market, to ensure their understanding of Ireland's HE system and the Institutes of Technology in particular. THEA continued input to national policy on internationalisation through participation in the Department of Education led High Level Group on Internationalisation. THEA also worked with Quality and Qualifications Ireland in relation to the development of the International Education Mark.

THEA RDI Office

Dr Brennan represents the sector on various external groups including the Horizon2020 High-Level Group (DBEI), the Higher Education Research Group (DES) and the Knowledge Transfer Ireland Stakeholder Forum. In addition, THEA has an enhanced role in the National Forum on Research Integrity, with Dr Brennan taking on the role of Deputy Chair. Dr Brennan also chairs the finance sub-committee of the Athena SWAN National Committee, and is Ireland's representative on the European-level Programme Committee for the Horizon 2020 MSC Actions.

Following a request from Enterprise Ireland, THEA worked with a group of VPs/Heads of Research from the sector on a proposal to launch a capital equipment fund for the Technology Gateway Programme. This issue is ongoing. Enterprise Ireland is providing funding to support a number of clusters e.g. Applied Internet of Things (CIT, IT Tralee, LYIT, WIT, AIT), Engineering, Materials and Design (AIT, DIT, IT Carlow, GMIT, IT Sligo, WIT), and the new Irish Food Tech Cluster (AIT, CIT, IT Carlow, GMIT, IT Tallaght, WIT, IT Tralee, LIT). The Business Development Co-ordinator for the Applied Internet of Things Cluster and the Technology Gateways Network Marketing Manager have been provided with office facilities in THEA.

The Irish Research Council opened a call for submissions for Government of Ireland Postgraduate Scholarships in September 2017. THEA, with the assistance of academic staff in Institutes of Technology, provided a pre-submission evaluation service for applicants. The service assesses applicants' draft submissions in order to provide feedback and constructive assistance which can be used to improve their submissions. 25 draft submissions were reviewed through THEA for applicants.

THEA co-hosted a workshop on SFI funding for IOT Research Officers. THEA also made a submission to a consultation on the proposed SFI Centres for Research Training programme.

THEA prepared a sectoral position on "FP9", the future EU Framework Programme for Research & Innovation 2021-2017 which was submitted to Department of Jobs and Innovation in May 2017. THEA co-hosted a Horizon 2020 Information Event for Institutes of Technology with Enterprise Ireland.

A three-year pilot of research integrity training has been rolled out across all Irish higher education institutions, including the Institutes of Technology, supported by funding from the main Irish research funders. 2) THEA has strongly contributed to the work on revising the National Policy Statement for Ensuring Research Integrity in Ireland.

THEA hosted a Mutual Learning Seminar on Researcher Careers for the sector in June 2018. The purpose of the seminar was to inform the IOTs about the proposed national RCF and existing IOT-specific frameworks and discuss the implications of the national RCF for the sector; and to share sectoral knowledge on applying for and retaining the EU "HR logo" award.

Equality and Diversity
In August 2018, THEA launched an Equality and Diversity Statement for the sector. The central mission statement commits to ensuring equal opportunities for all persons, regardless of gender, ethnicity, or sexual orientation, to access higher education and advance their careers. The Statement will be supported across all fourteen Institutes of Technology a primary aim of which will be to increase the number of women in highly paid positions throughout the sector and broaden access to education and career opportunities with a focus specifically on diversity and gender. THEA has also developed a sectoral Gender Identity and Gender Expression policy.

Corporate Affairs
Through the Director of Corporate Affairs, THEA continued to provide a human resources/industrial relations support function at national level for IoTs. Work is ongoing in relation to implementation of national pay agreements such as the Haddington Road Agreement and its successors including the Lansdowne Road Agreement. THEA also chairs a Working Group on superannuation issues which works closely with the Department of Education and Skills to ensure that superannuation is managed consistently throughout the sector. THEA represents the sector at national industrial relations fora with TUI and IMPACT as well as representing institutes on an occasional basis both locally and nationally.

THEA is represented on an Inter-Departmental Working Group on Student Accommodation which is developing proposals for the provision of student accommodation. A Strategy on Student Accommodation was published by the Department of Education and Skills in summer 2017 and work is ongoing on implementing that Strategy.

THEA continued to support the work of the sectoral internal audit projects carried out by PWC and chairs or is represented on specific projects to deal with issues such as Recruitment and Selection Procedures and GDPR.

The first Code of Governance for higher level education bodies under the 2016 State Guidelines was launched on 25th January 2018 - The Code of Governance for Institutes of Technology. The Code sets out best practice in governance across areas such as business and financial reporting, ethics, risk management, relationships with the HEA, department, Minister and the Oireachtas, remuneration and superannuation and internal audit. The Code was the outcome of a collaborative process across Institutes of Technology led by THEA with the assistance of the internal auditors PWC.

THEA is represented on the Higher Education Programme Board which oversees the implementation of the Government's Shared Services plans in the sector. Current projects include the development of a shared service payroll.

THEA made its first ever budget submission to Minister Paschal O'Donohoe on 27 July 2018. The submission outlined an investment requirement of €74.5m in Budget 2019, with an annual investment of €82.5m each subsequent year to 2023 in order to enable the sector to overcome key capacity challenges and invest in future-proofing and sustainability of the sector. This amounts to an investment of €404.5m over 5 years.

The core areas of investment cited in the submission are around capital investment in ICT and STEM education equipment along with investment in governance, leadership, and skills in order to build capacity and exploit fully the capabilities and opportunities offered by ICT and digital infrastructure. Environment and Energy Savings are also drivers of investment in order to increase efficiencies and sustainability of resources throughout the sector and establish key campuses across the regions as exemplars in sustainable energy management in line with the KPIs in the National Mitigation Plan for Climate Change.

Governance and management

The members of the Technological Higher Education Association are those who under Article 3 of the Articles of Association are, for the time being, eligible to be Members and who have not given notice to the Association of their wish not to be Members. Each of the Presidents of an Institute of Technology is eligible for membership of the Association.

Appointment of CEO

Following an open competition, Dr. Joseph Ryan was appointed as Chief Executive Officer on 1 February 2017. Dr. Ryan formerly served as Vice President Academic & Registrar of Athlone Institute of Technology. Over a period of a decade and a half, Dr Ryan has contributed to many sectoral initiatives including the development of the Technological Higher Education Quality Framework and he also chaired the Regional Skills Forum for the Midlands. He is also chair of EduCampus, a subsidiary company of HEAnet focused on continued commitment to the delivery of management information system shared service to the higher education sector. A long-standing commitment to pedagogy is reflected in his role as Deputy Chair of the National Forum for the Enhancement of Learning and Teaching in Ireland.

Other Appointments

Dr. Jennifer Brennan was appointed as Director of Research, Development and Innovation (RDI) with THEA on Monday 3rd April 2017. Dr. Brennan has significant experience of higher education research policy development with the Irish Universities Association and of European research funding through her position as National Contact Point for the Marie Sklodowska Curie programme.

Ms. Louise Tuomey was appointed as Administrative Assistant on 29th May 2017. Ms. Roisin O'Connell was appointed as interim Head of Communications in October 2017 and following an open competition will formally assume the role from 1 October 2018. Mr. Sean O'Reilly has been appointed as Data Analyst following an open competition and will take up this post on 1 October 2018. Mr. Gearoid Hodgins assumed the role of Director of Corporate Affairs in January 2018 and remains as Company Secretary.

Principal risks and uncertainties

Like all not for profit organisations, the key risk for THEA is the continued support of its members and the members contributions to its activities. The Directors are satisfied that all members will continue to support the organisation for the foreseeable future.

Results for year

The results for the year are set out on page 13. The net income for the financial year amounted to €47,465 (2016: net expenditure of €34,145). Of this surplus (€12,885) was allocated against unrestricted funds and €60,350 was transferred to restricted funds.

Events after the end of the reporting period

There have been no significant events affecting the company since the year end.

Directors

The directors who served the company during the year are disclosed within the company information section of these financial statements.

Accounting records
The measures taken by the directors to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records are the implementation of necessary policies and procedures for recording transactions, the employment of competent accounting personnel with appropriate expertise and the provision of adequate resources to the financial function. The accounting records of the company are located at First Floor, Fumbally Square, Fumbally Lane, Dublin 8.

Transactions involving directors
There were no contracts or arrangements of any significance in relation to the business of the company in which the directors had any interest, at any time during the year ended 31 December 2017.

Political donations
There were no political donations during the year.

Directors
In accordance with the Articles of Association, directors do not retire by rotation.

Relevant audit information
In the case of each of the persons who are directors at the time this report is approved in accordance with section 332 of Companies Act 2014:
• so far as each director is aware, there is no relevant audit information of which the company's statutory auditors are unaware, and
• each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's statutory auditors are aware of that information.

Auditors
RSM Ireland resigned as auditors on 17 January 2018. On the same date RSM Ireland Business Advisory Limited t/a RSM Ireland were appointed auditors by the directors and they have expressed their willingness to continue in office in accordance with the provisions of Section 383(2) of the Companies Act 2014.

This report was approved by the board of directors on 25.9.2018 and signed on behalf of the board by:

Patricia Mulcahy
Patricia Mulcahy
Director

Annie Doona
Annie Doona
Director

Date: 25.9.2018

Directors' responsibilities statement
Year ended 31 December 2017

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable Irish law and regulations.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statement in accordance with the Companies Act 2014 and FRS102 "The Financial Reporting Standards applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council of promulgated by the Institute of Chartered Accountants in Ireland. The financial statements are also prepared in accordance with the Statement of Recommended Practice (SORP): Accounting and Reporting by Charities (FRS 102) issued by the Charities Commission in the UK. Under company law, the directors must not approve the financial statement unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the profit and loss of the company for the financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' report comply with the Companies Act 2014 and enable the financial statements to be readily and properly audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of the Technological Higher Education Association for the year ended 31 December 2017 which comprise the Statement of Financial Activites, the Balance Sheet, the Statement of Changes in Equity, the Cash Flow Statement and notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and Charities SORP (FRS 102) Accounting and Reporting by Charities: Statement of Recomended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102).

In our opinion, the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2017 and of its net income for the year then ended; and
- have been properly prepared in accordance with Charities SORP (FRS 102) Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102); and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) and applicable law. Our responsibilities under those standards are described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where:

- the directors use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matter prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- in our opinion, the information given in the directors report is consistent with the financial statements; and
- in our opinion, the directors report has been prepared in accordance with the Companies Act 2014.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

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

Matters on which we are required to report by exception

Based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors report.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

Responsibilities of directors for the financial statements

As explained more fully in the directors responsibilities statement set on page 9, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as going concerns. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as going concerns.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Mairéad Lyng
For and on behalf of
RSM Ireland
Registered Auditors
Trinity House
Charleston Road
Ranelagh
Dublin 6

Date: 2.10.2018

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Technological Higher Education Association
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Statement of financial activities
Year ended 31 December 2017

	Notes	Unrestricted Funds €	Restricted Funds €	Total 2017 €	2016 €
Income and endowments from:					
Charitable activities	3	1,229,441	360,000	1,589,441	1,389,215
Investments	4	164	-	164	3,194
HEA funding		50,000	-	50,000	-
Total income and endowments		1,279,605	360,000	1,639,605	1,392,409
Expenditure on:					
Charitable activities	5	1,292,490	299,650	1,592,140	1,358,264
Total expenditure on charitable activities		1,292,490	299,650	1,592,140	1,358,264
Net income/ (expenditure)		(12,885)	60,350	47,465	34,145
Reconciliation of funds:					
Total funds brought forward		432,461	84,140	516,601	482,456
Total funds carried forward		419,576	144,490	564,066	516,601

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 17 to 28 form part of these financial statements.

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Technological Higher Education Association
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Balance sheet
31 December 2017

	Note	2017 €	2017 €	2016 €	2016 €
Fixed assets					
Tangible assets	9	3,971		13,230	
			3,971		13,230
Current assets					
Debtors	10	6,168		127,793	
Cash at bank and in hand	11	1,496,119		1,171,019	
		1,502,287		1,298,812	
Creditors: amounts falling due within one year	12	(942,192)		(795,441)	
Net current assets			560,095		503,371
Total assets less current liabilities			564,066		516,601
Net assets			564,066		516,601
The funds of the charity					
Restricted income funds			144,490		84,140
Unrestricted funds			419,576		432,461
Total Funds			564,066		516,601

These financial statements were approved by the board of directors on 26.9.2018 and signed on behalf of the board by:

Patricia Mulcahy
Patricia Mulcahy
Director

Annie Doona
Annie Doona
Director

The notes on pages 17 to 28 form part of these financial statements.

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Technological Higher Education Association
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Statement of changes in equity
Year ended 31 December 2017

	Restricted	Unrestricted	Total
	€	€	€
At 1 January 2016	68,157	414,299	**482,456**
Net (expenditure) for the year	15,983	18,162	**34,145**
Total funds for the year	84,140	432,461	**516,601**
At 31 December 2016	84,140	432,461	**516,601**
At 1 January 2017	84,140	432,461	**516,601**
Net income for the year	60,350	(12,885)	**47,465**
Total funds for the year	144,490	419,576	**564,066**
At 31 December 2017	144,490	419,576	**564,066**

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Technological Higher Education Association
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Statement of cash flows
Year ended 31 December 2017

	2017	2016
	€	€
Reconciliation of changes in resources to net inflow/ (outflow) from operating activities		
Net incoming/ (outgoing) resources	**47,465**	34,145
Depreciation of tangible assets	**12,967**	12,439
(Increase)/ decrease in debtors	**121,625**	(73,785)
Increase/ (decrease) in creditors	**146,751**	(206,459)
Net cash inflow from operating activities	**328,808**	(233,660)
Cash flow statement		
Net cash inflow/ (outflow) from operating activities	**328,808**	(233,660)
Capital expenditure	**(3,708)**	(1,749)
Increase in cash in the year	**325,100**	(235,409)
Reconciliation of net cash flow to movement in funds		
Net movement in funds in the year	**325,100**	(235,409)
Net funds at 1 January 2017	**1,171,019**	1,406,428
Net funds at 31 December 17	**1,496,119**	1,171,019

1. General information

The financial statements comprising the Statement of Financial Activities, the Balance Sheet, the Statement of Changes in Equity, the Cash Flow Statement and the related notes constitute the individual financial statements of the Technological Higher Education Association for the financial year ended 31 December 2017.

The Technological Higher Education Association (formerly IOTI) is a company limited by guarantee and not having a share capital. The registered office is First Floor, Fumbally Square, Fumbally Lane, Dublin 8, which is also the company's principal place of business. The company's principal activities are set out in the Director's Report.

Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Currency

The financial statements have been presented in the Euro currency (€) which is also the functional currency of the company.

2. Summary of significant accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements are prepared on the going concern basis, under the historical cost convention, and comply with the financial reporting standards of the Financial Reporting Council, as promulgated by Chartered Accountants Ireland and the Companies Act 2014.

The financial statements are also prepared in accordance with the Statement of Recommended Practice (SORP): Accounting and Reporting by Charities (FRS 102) issued by the Charities Commission in the UK.

Going concern

These financial statements have been prepared on a going concern basis as the directors consider that Technological Higher Education Association (formerly IOTI) have sufficient funds available to operate for a further twelve months from the financial statement date.

Funding accounting

Unrestricted funds are funds which are funds which are available for the use at the discretion of the directors in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds comprise funds that have been set aside by the directors for particular purposes. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the directors' report.

Incoming resources

All incoming resources are included in the Statement of Financial Activities ("SOFA") when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Income is recognised when the company has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.The following specific policies are applied to particular categories of income:

• Voluntary income received by way of donations and gifts are included in full in the Statement of Financial Activities when receivable;
• Grants, where entitlement is not conditional on the delivery of a specific performance by the company, are recognised when the charity becomes unconditionally entitled to the grant. Grants, which are performance based, are recognised as income, once the terms and conditions of the grant are met;
• Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts;
• Investment income is included when receivable; and
• Incoming resources from charitable trading activity i.e. membership subscription, is recognised as income, in the period to which the subscription relates.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting voluntary income;
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them; and
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Expenditure is attributable directly to specific activities and does not include any element of apportionment. Irrecoverable value added tax is charged as a cost against the activity for which the expenditure was incurred.

Taxation

No charge to taxation arises as the company has been granted charitable status, Chy number 17033.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible fixed assets and depreciation

Impairment

The carrying value of tangible assets is reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. Under FRS 102, impairment is assessed by comparing the carrying value of an assets with its recoverable amount (being the higher of net realisable value and value in use). Net realisable value is defined as the amount at which an asset could be disposed of, less any direct selling costs. Value in use is defined as the defined as the present value of the future cash flows obtainable through continued use of an asset including those anticipated to be realised on its eventual disposal.

Depreciation

Fixed assets are stated at cost less accumulated depreciation. The charge for depreciation is calculated to write down the cost of other fixed assets to their estimated residual values by equal annual instalments over their expected useful lives which are as follows:

Leasehold	-	10%	Straight line
Office equipment	-	33%	Straight line
Fixtures and fittings	-	25%	Straight line

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Trade and other receivables

Trade and other receivables are recognised initially at transaction price (including transaction costs) unless a financing arrangement exists in which case they are measured at the present value of future receipts discounted at a market rate. Subsequently these are measured at amortised cost less any provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. All movements in the level of provision required are recognised in the statement of financial activities.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits and other short- term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Trade and other payables

Trade and other payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Critical account judgements and estimates

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

a) Establishing useful economic lives for depreciation purposes of property, plant and equipment
Long-lived assets, consisting primarily of property, plant and equipment, comprise a significant portion of the total assets. The annual depreciation charge depends primarily on the estimated useful economic lives of each type of asset and estimates of residual values. The directors regularly review these asset useful economic lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset useful lives can have a significant impact on depreciation and amortisation charges for the period. Detail of the useful economic lives is included in the accounting policies.

3. Income from charitable activties

Income from charitable activities of the company for the year has been derived from its principal activity wholly undertaken in Ireland.

	€ Unrestricted funds	€ Restricted funds	€ Total 2017	€ Unrestricted funds	€ Restricted funds	€ Total 2016
Charitable activities						
Remittances from Instiutes of Technology	**1,229,441**	**-**	**1,229,441**	1,129,215	-	1,129,215
ISSE income	**-**	**360,000**	**360,000**	-	250,000	250,000
LIN funding	**-**	**-**	**-**	-	10,000	10,000
HEA Funding	**50,000**	**-**	**-**	-	-	-
	1,279,441	**360,000**	**1,589,441**	1,129,215	260,000	1,389,215

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4. *Interest receivable and similar income*

	2017	2016
	€	€
Bank interest	164	3,194

5. Total Resources Expended

	Unrestricted funds Management, Administration, and Institute support	Restricted funds	2017 Total	Unrestricted funds Management, Administration, and Institute support	Restricted funds	2016 Total
	€	€	€	€	€	€
Staff costs	**734,532**	**98,941**	**833,473**	648,163	92,280	740,443
Travel and subsistence	**24,876**	**7,485**	**32,361**	20,884	1,843	22,727
Premises	**229,501**	**12,459**	**241,960**	240993	5,900	246,893
Professional and consultancy fees	**44,927**	**155,929**	**200,856**	13,096	97,833	110,929
Other support costs	**258,654**	**24,836**	**283,490**	191,111	46,161	237,272
	1,292,490	**299,650**	**1,592,140**	1,114,247	244,017	1,358,264

RSM

6. Net (resources expended)

The net (resources expended) is arrived at after charging:	2017	2016
	€	€
Depreciation and other amounts written off tangible assets	**12,967**	12,439

7. Staff costs

The average number of employees (excluding seconded personnel) during the year was 6 (2016: 7). The aggregate payroll costs were as follows:

	2017	2016
	€	€
Wages and salaries	**306,213**	307,907
Social welfare costs	**27,599**	28,108
Seconded personnel wages and salaries	**390,491**	335,541
Seconded personnel pension costs	**76,089**	48,380
Seconded personnel social welfare costs	**31,701**	20,507
Staff training	**1,380**	-
	833,473	740,443

Number of higher paid staff

	2017	2016
€60,000 to €69,999	3	2
€70,000 to €79,999	-	2
€80,000 to €89,999	1	1
€90,000 to €99,999	-	-
€100,000 to €109,999	-	-
€110,000 to €119,999	2	2
€120,000 to €129,999	-	-
€130,000 to €139,999	1	-
€140,000 to €149,999	-	-
	7	7

Key management personnel

Included in the staff costs above are the following payments to key personnel;

The interim CEO was paid €9,225 from 01 January 2017 to 31 January 2017. The new CEO was appointed on 01 February 2017 and was paid €130,569 from 01 February 2017 to 31 December 2017.

8. Directors remuneration

The directors were paid no remuneration during the year (2016 : €NIL).

9. Tangible assets

	Leasehold Improvements	Office equipment	Fixtures, fittings and equipment	Total
	€	€	€	€
Cost				
At 1 January 2017	119,154	65,585	76,645	261,384
Additions	-	3,708	-	3,708
At 31 December 2017	119,154	69,293	76,645	265,092
Depreciation				
At 1 January 2017	107,236	65,585	75,333	248,154
Charge for the year	11,918	611	438	12,967
At 31 December 2017	119,154	66,196	75,771	261,121
Net book value				
At 31 December 2017	**-**	**3,097**	**874**	**3,971**
At 31 December 2016	11,918	-	1,312	13,230

10. Debtors

	2017	2016
	€	€
Trade debtors	-	42,350
Other debtors	-	10,272
Prepayments and accrued income	**6,168**	75,171
	6,168	127,793

11. Cash and cash equivalents

	2017	2016
	€	€
Cash at bank and in hand	**1,496,119**	1,171,019

12. Creditors: amounts falling due within one year

	2017	2016
	€	€
Trade creditors	**64,146**	83,359
Other creditors	**180,434**	658,397
PAYE/ PRSI	**13,299**	-
Accruals	**32,031**	53,685
Deferred income - including government grants	**652,282**	-
	942,192	795,441

13. Details of creditors

Deferred income - government grants	2017	2016
	€	€
Creditors: amounts falling due within one year	**615,059**	454,885

14. Analysis of net assets between funds

	Restricted funds	Unrestricted funds	Total
	€	€	€
Funds balance at 31 December 2017 are represented by:			
Tangible Fixed Assets	-	3,971	**3,971**
Current Assets	801,274	701,013	**1,502,287**
Current Liabilities	**(656,784)**	(285,408)	**(942,192)**
Total Net Assets	144,490	419,576	**564,066**

15. Capital commitments

The company had no capital commitments authorised or contracted at the year ended.

16. Operating leases

The company as lessee

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2017	2016
	€	€
Not later than 1 year	**191,893**	182,237
Later than 1 year and not later than 5 years	**786,885**	91,119
	978,778	273,356

17. Company limited by guarantee

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net asset or liabilities of the company on winding up such amounts as may be required not exceeding one Euro (€1).

18. Events after the end of the reporting period

There have been no significant events affecting the company since the year end.

19. Approval of financial statements

The board of directors approved these financial statements for issue on 25.9.2018

Technological Higher Education Association
(formerly IOTI)
(A Company Limited by Guarantee and Not Having a Share Capital)

The following pages do not form part of the statutory accounts.

Detailed income statement (continued)
Total Resources Expended
Year ended 31 December 2017

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	2017	2016
	€	€
Staff costs (Unrestricted funds)		
Wages and salaries	**216,482**	223,094
Employer's PRSI contributions	**19,169**	20,641
Seconded personnel wages and salaries	**390,491**	335,541
Seconded personnel pension costs	**76,089**	48,380
Seconded personnel social welfare costs	**31,701**	20,507
Staff Training	**600**	-
	734,532	648,163
Staff costs (Restricted funds)		
Wages and salaries	**89,731**	84,813
Employer's PRSI contributions	**8,430**	7,467
Staff Training	**780**	-
	98,941	92,280
Travel and subsistence (Unrestricted funds)		
Travel and subsistence	**24,876**	20,884
Travel and subsistence (Restricted funds)		
Travel and subsistence	**7,485**	1,843
Premises (Unrestricted funds)		
Rent and service charge payables	**197,857**	211,690
Rates	**13,465**	13,361
Room hire and related costs	**2,176**	1,444
Insurance	**2,934**	2,798
Light and Heat	**9,948**	8,298
Cleaning and Maintenance	**3,121**	3,402
	229,501	240,993
Premises (Restricted funds)		
Rent and service charge payables	**10,083**	-
Rates	**2,376**	2,358
Room hire and related costs	**-**	3,259
Cleaning and maintenance	**-**	284
	12,459	5,901

Detailed income statement (continued)
Total Resources Expended
Year ended 31 December 2017

RSM

	2017	2016
	€	€
Professional and consultancy fees (Unrestricted funds)		
Professional fees	**10,650**	11,227
Consultancy fees	**-**	1,343
Accountancy	**15,469**	5,843
Audit	**7,500**	7,491
Legal fees	**11,308**	10,989
	44,927	14,439
Professional and consultancy fees (Restricted funds)		
Professional fees	**155,613**	97,833
Consultancy fees	**316**	-
	155,929	97,833
Other support costs (Unrestricted funds)		
Recruitment	**-**	37,354
HE strategy implementation	**10,100**	8,074
Food services	**13,932**	13,355
Printing, postage & stationery	**6,498**	11,622
Telephone/broadband	**11,565**	16,427
Computer costs	**21,702**	23,004
Conference fees	**5,202**	478
Public relations	**60,455**	33,211
Honorarium chair of the board	**12,500**	-
Bank interest and charges	**444**	461
Subscription to professional bodies	**36,614**	38,734
General expenses	**4,100**	3,041
THEA launch	**58,077**	-
Dilapidation fund	**4,500**	-
Depreciation on leasehold improvements	**11,918**	11,914
Depreciation on office equipment	**1,431**	525
Depreciation on computers	**611**	-
	259,649	198,200
Other support costs (Restricted funds)		
Food services	**511**	1,252
Printing, postage & stationery	**788**	2,751
Telephone	**240**	932
Computer costs	**4,843**	5,701
Public relations	**15,117**	27,137
Bank interest & charges	**196**	185
General expenses	**2,450**	8,203
Conference fees	**689**	-
	24,834	46,161