

Financial statements

31 December 2016

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

Patricia Mulcahy

Director

Gearoid Hodgins

Company Secretary



Contents

	Page
Company information	1 - 2
Directors report	3 - 8
Directors responsibilities statement	9
Independent auditor's report to the members	10 - 11
Statement of financial activities	12
Balance sheet	13
Statement of changes in equity	14
Statement of cash flows	15
Notes to the financial statements	16 - 26

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

Company information

Directors

Vincent Cunnane (Resigned IT Sligo

31/08/2016, Appointed LIT 01/09/16) Paul Hannigan

Ciaran O'Cathain Patricia Mulcahy Thomas Stone

Annie Doona

Oliver Murphy

Mary Meaney (Resigned 17/10/2016)

Brendan Jeremiah Murphy (Resigned

31/08/2017) Fergal Barry William Donnelly

Ann Campbell (Appointed 15/01/2016) Denis Cummins (Resigned 15/01/2016) Maria Hinfelaar (Resigned 20/06/2016)

Prof. Brian Norton (Appointed

30/06/2016)

Colin McLean (Appointed 01/09/2016,

resigned 30/09/2016)

Diarmuid O'Callaghan (Appointed

12/09/2016)

Brendan McCormack (Appointed

17/10/2016)

Terry Twomey (Appointed 20/06/2016,

resigned 17/10/2016)

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)

Gerry Murray (Retired 01/08/2016)

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

Solicitors

Arthur Cox & Co.

Earlsfort Centre Earlsfort Terrace

Dublin 2

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

Directors report Year ended 31 December 2016

The directors present their report and the financial statements of the company for the year ended 31 December 2016.

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, 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.



Directors report (continued) Year ended 31 December 2016

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

Launch of THEA

"Envisioning the Technological Higher Education Sector" - an event formally to launch the Technological Higher Education Association (THEA) was held on Monday 3 April 2017 in Croke Park. 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.

The launch event focused on the principal strategic themes facing the sector. In a keynote address, Dr Charles Larkin of Trinity College addressed the funding challenge that is facing all of Irish higher education. THEA's new chief executive, Dr Joseph Ryan, told the conference that the third level technological sector is in the midst of a funding crisis that must be addressed. "The report of the Expert Group chaired by Peter Cassells has clearly recognised this. The sector has seen a decrease in the state grant of 35%, a drop in core staffing levels of 12%, a virtual halt to capital investment and an increase in student numbers of 30% between 2008 -2015."

Dr Ryan also warned that funding solutions should not limit student access. "The single greatest achievement of the technological sector to date has been in facilitating access to higher education on the part of a larger proportion of our society, thereby expanding individual horizons while also enhancing the welfare and quality of life for our society as a whole".

Academic Affairs Office

The Academic Affairs desk made significant contributions to the development and promulgation of THEA submissions to the Joint Oireachtas Committee on Education and Skills, in its hearings on Report of the Expert Group on Future Funding for Higher Education; and to a briefing note for the Minister for Education and Skills, Richard Bruton, TD, ahead of a meeting between him and the IoT Presidents (November 2016).

Another key development was the completion of the Technological Higher Education Quality Framework project, which was led by the Academic Affairs desk in THEA, and included the participation of all 14 institutes of Technology (2013-16). The publication was formally launched in Croke Park in April 2017.

THEA also continued in its role as co-sponsor of the Irish Survey of Student Engagement (with the IUA, HEA, and USI), and co-chairs the plenary steering group. A third iteration of the survey took place in 2016 (and the first using a revised question set), in which over 29,173 students responded across 30 higher education institutions, representing a response rate of 22.2% and maintaining continued increases each year (21.9% response rate in 2015).

Finally, THEA contributed actively to a range of policy and related developments in higher education, including HEA working groups to examine and make proposals around the issue of student engagement (which reported in 2016); and to develop a national graduate outcomes survey (for implementation in 2017). THEA Academic Affairs has also played an active role on the Apprenticeship Council, in the development of new apprenticeships. Two new apprenticeships were launched in 2016: a BA Insurance Professional (Level 7), led by IT Sligo, and a B Eng Industrial Electrical Engineering (Level 7), led by Limerick IT.

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

Directors report (continued) Year ended 31 December 2016

THEA RDI Office

Irish Research Council Government of Ireland Scholarships

The Irish Research Council opened a call for submissions for Government of Ireland Postgraduate Scholarships in September 2016. 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. Eighteen draft submissions were reviewed through THEA for applicants.

Enterprise Ireland Technology Gateway Programme

During 2016 Enterprise Ireland sought approval for a new 5 year cycle of support for the Technology Gateway Programme. It is envisaged that the call would be opened in early 2017 with the new cycle of support beginning in 2018. The focus of support will be on the provision of business development resources to support engagement between industry and Institutes of Technology. Institutes engaged with Frontline consultants who were commissioned to undertake an economic impact assessment of the Gateway programme.

This Frontline report demonstrated that significant outputs are being reported by the Technology Gateway network e.g. 150 collaborative projects were undertaken per annum under the ARE scheme while 600 projects were completed in 2016 alone by Technology Gateways. Also, the level of cash contribution from industry for research services have significantly increased.

Enterprise Ireland is moving towards a cluster approach to Gateways and is providing funding to support a number of clusters e.g. Applied Internet of Things (CIT, IT Tralee, LYIT, WIT, AIT) and the Engineering, Materials and Design (AIT, DIT, IT Carlow, GMIT, IT Sligo, WIT). The Business Development Co-ordinator for the Applied Internet of Things Cluster has been provided with office facilities in THEA.

Other Research Activity

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. This sectoral position will be used to input into the national position on FP9 and will be submitted directly to the European Commission via the public consultation which will open in July 2017.

Dr. Jennifer Brennan, THEA Director of Research, Development, and Innovation (RDI), will represent the sector on various external groups including the Horizon2020 High-Level Group (DJEI), the Higher Education Research Group (DES) and the Knowledge Transfer Ireland Stakeholder Forum. In addition, THEA will have an enhanced role in the National Forum on Research Integrity, with Dr. Brennan taking on the role of Deputy Chair.

A number of issues such as pensions for researchers and the development of a research career framework will be addressed on a sectoral basis with the assistance of the THEA Director of HR/IR.

International Activity

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.



Directors report (continued) Year ended 31 December 2016

THEA provides a shared service on aspects of Institutes' International Education student mobility activities. The main shared service activities in 2015 focused on China and Canada. Participation in the Brazilian Government sponsored "Science without Borders" scholarship concluded at the end of the 2015/16 academic year and all outstanding payments due from Brazil were received. A collaborative approach to the Chinese market, initiated in 2015, continued throughout 2016 and proposals for collaboration are now under discussion with the relevant Chinese agencies.

THEA continued support for collaboration with Colleges Ontario, including annual sponsorship of the Higher Education Summit in November. The MOU with Colleges Ontario was renewed in November for a further 5 years. Plans are in train to expand activity to other parts of Canada, particularly British Columbia and discussions with the appropriate authorities there have commenced.

Other Shared Service Activity

Through the Director of Human Resources and Industrial Relations, 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 is expected to be published by the Department of Education and Skills in summer 2017.

THEA continued to support the work of the sectoral internal audit projects carried out by PWC and it also chairs or is represented on specific projects to deal with issues such as Client Service Agreements, Recruitment and Selection Procedures and the updating of the Code of Governance for Institutes of Technology.

THEA assisted the HEA in publishing the "Financial Review of the Institutes of Technology" in November 2016 which identified and quantified the significant financial challenges facing the sector. In addition, THEA has been represented on the advisory body for the HEA's current Funding Allocation Review which is scheduled to report in summer 2017.

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.

Structure, governance and management

The Technological Higher Education Association (or Institutes of Technology Ireland (IOTI), or Codit Limited as it was previously known), was incorporated in June 2005 as a not-for-profit organization with charitable status with a memorandum and articles of association. Early in 2016 following a Special Resolution, a submission was made to the Companies Registration Office to change the name of the company from Institutes of Technology Ireland to the Technological Higher Education Association. The name change was approved by the CRO on 5th July 2016. At the same time, provision was made for the President of Dublin Institute of Technology to become a member.

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

Year ended 31 December 2016

Directors report (continued)

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.

Mr. Gerry Murray, Chief Executive Officer retired on 1 August 2016. Professor Thomas Collins was appointed as Interim Chief Executive Officer until such time as a competition could take place for a long-term successor. Following an open competition, Dr. Joseph Ryan was identified as the preferred candidate. 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.

The position of Director of Research, Development and Innovation (RDI) with THEA was advertised in October 2016. Following an open selection process, Dr. Jennfier Brennan was identified as the preferred candidate. 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. Dr. Brennan joined THEA on Monday 3rd April 2017.

Dr. Jim Murray, Director of Academic Affairs with THEA was formally appointed as Deputy Chief Executive of THEA in November 2016. Mr. Gearoid Hodgins continues as Company Secretary and Director of Human Resources and Industrial Relations.

Principal risks and uncertainties

A principal risk to THEA's financial position is the lease expiry date of May 2018. However, we are in advanced discussions with the landlords on extending the lease for a further set period.

Results for year

The results for the year are set out on page 11. The net income for the financial year amounted to €34,145 (2015: net expenditure of €55,570). Of this surplus €18,162 was transferred to unrestricted funds and €15,983 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.



Directors report (continued) Year ended 31 December 2016

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 2016.

Political donations

There were no political donations during the year.

7 "September 2017

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

In accordance with Section 383 (2) of the Companies Act 2014, the auditors, RSM Ireland will continue in office

On behalf of the board:

Patricia Mulcahy

Director

Date:

Annie Doona Director



Directors responsibilities statement Year ended 31 December 2016

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 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.

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

Independent auditor's report to the members of Year ended 31 December 2016

We have audited the financial statements of Technological Higher Education Association for the year ended 31 December 2016 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flow and related notes. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014, Charities SORP (FRS 102) and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland.

This 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.

Respective responsibilities of directors and auditor

As explained more fully in the directors responsibilities statement set out 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 otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the 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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the directors report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

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 2016 and of its profit for the year then ended; and

 have been properly prepared in accordance with the relevant reporting framework and, in particular the requirements of the Companies Act 2014.



Independent auditor's report to the members of Year ended 31 December 2016

Matters on which we are required to report by 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.

The financial statements are in agreement with the accounting records.

· In our opinion the information given in the directors report is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of our obligation under the Companies Act 2014 to report to you if, in our opinion, the disclosures of directors remuneration and transactions specified by sections 305 to 312 of the Act are not made.

Mairead Lyng
For and on behalf of
RSM Ireland
Registered Auditors
Trinity House
Charleston Road

Ranelagh Dublin 6

Date: 4 September 2017



Statement of financial activities Year ended 31 December 2016

	ι	Jnrestricted Funds €	Restricted Funds €	Total 2016 €	2015 €
Income and endowments from: Charitable activities Investments	Notes 3 4	1,129,215 3,194	260,000	1,389,215 3,194	1,329,093 8,764
Total income and endowments		1,132,409	260,000	1,392,409	1,337,857
Expenditure on: Charitable activities	5	1,114,247	244,017	1,358,264	1,393,427
Total expenditure on charitable activities		1,114,247	244,017	1,358,264	1,393,427
Net income/ (expenditure)		18,162	15,983	34,145	(55,570)
Reconciliation of funds: Total funds brought forward		414,299	68,157	482,456	538,026
Total funds carried forward		432,461	84,140	516,601	482,456

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



Balance sheet 31 December 2016

		2016	;	2015	2015	
	Note	€	€	€	€	
Fixed assets Tangible assets	9	13,230	13,230	23,920	23,920	
Current assets Debtors Cash at bank and in hand	10 11	127,793 1,171,019 1,298,812		54,008 1,406,428 1,460,436		
Creditors: amounts falling due within one year	12	(795,441)		(1,001,900)		
Net current assets Total assets less current liabilities			503,371 516,601	a.	458,536 482,456	
Net assets			516,601		482,456	
The funds of the charity Restricted income funds Unrestricted funds			84,140 432,461 516,601		68,157 414,299 482,456	
Total Funds			510,001		====	

These financial statements were approved by the board of directors on .f. ... Signtender All Tand signed on behalf of the board by:

Patricia Mulcahy

Director

Annie Doona Director



Statement of changes in equity Year ended 31 December 2016

	Restricted Unrestricted		Total	
	€	€	€	
At 1 January 2015	73,136	464,890	538,026	
Net (expenditure) for the year	(4,979)	(50,591)	(55,570)	
Total funds for the year	68,157	414,299	482,456	
At 31 December 2015	68,157	414,299	482,456	
At 1 January 2016	68,157	414,299	482,456	
Net income 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	



Statement of cash flows Year ended 31 December 2016

	2016	2015
	€	€
Reconciliation of changes in resources to net inflow/ (outflow) from operating activities		
Net incoming/ (outgoing) resources	34,145	(55,570)
Depreciation of tangible assets	12,439	16,359
(Increase)/ decrease in debtors	(73,785)	116,085
Increase/ (decrease) in creditors	(206,459)	79,015
Net cash inflow from operating activities	(233,660)	155,889
Cash flow statement		
Net cash inflow/ (outflow) from operating activities Capital expenditure	(233,660) (1,749)	155,889
Increase in cash in the year	(235,409)	155,889
Reconciliation of net cash flow to movement in funds		
Net movement in funds in the year	(235,409)	155,889
Net funds at 1 January 2016	1,406,428	1,250,539
o -	1,171,019	1,406,428

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

Notes to the financial statements Year ended 31 December 2016

1. General information

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. The company's principal activities are set out in the Director's Report.

The financial statements are prepared in euros, which is the functional currency of the entity.

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'.

2. Accounting policies

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 designed 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.

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

Notes to the financial statements (continued) Year ended 31 December 2016

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 is received by way of grants, donations and gifts and is 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;
- 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 are accounted for when earned.

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.

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

Notes to the financial statements (continued) Year ended 31 December 2016

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.



Notes to the financial statements (continued) Year ended 31 December 2016

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.



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

Notes to the financial statements (continued) Year ended 31 December 2016

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

€ Total 2015	1,079,093 250,000
€ Restricted funds	250,000
E Unrestricted Res funds	1,079,093
€ Total 2016	1,129,215 250,000 10,000 1,389,215
€ Restricted funds	250,000
€ Unrestricted R	1,129,215
	Charitable activities Remittances from Instiutes of Technology ISSE income LIN funding



Notes to the financial statements (continued) Year ended 31 December 2016

4. Interest receivable and similar income

2016 2015 € € 3,194 8,764

Bank interest



Notes to the financial statements (continued) Year ended 31 December 2016

2015 Total	9	753 546	30,386	250,766	156,090	202,639	1,393,427
Restricted funds							254,979
Unrestricted funds	Management, Administration, and Institute support	(4)	28.533	250,076	59,949	131,002	1,138,448
2016 Total		ŧ	740,443	246.893	110,929	237,272	1,358,264
Restricted funds							244,017
Unrestricted	Management, Administration,	3	648,163	20,884			1,114,247
Total Resources Expended			Staff costs	Travel and subsistence	Premises	Professional and consultancy tees	Signal Support



Technological Higher Education Association (formerly IOTI)

(A Company Limited by Guarantee and Not Having a Share Capital)

Notes to the financial statements (continued) Year ended 31 December 2016

Net (resources expended) 6.

The net (resources expended) is arrived at after charging:	2016	2015
The fiet (resources experience) to active at a second of	€	€
Depreciation and other amounts written off tangible assets	12,439	16,359

Staff costs 7.

The average number of employees during the year was 7 (2015: 6). The aggregate payroll costs were as follows:

as follows.	2016	2015
	€	€
Wages and salaries	307,907	368,530
Social welfare costs	28,108	35,300
Seconded personnel wages and salaries	335,541	279,320
Seconded personnel pension costs	48,380	49,300
Seconded personnel social welfare costs	20,507	21,096
•	740,443	753,546
	===	-
Number of higher paid staff	2016	2015
COO 000 to CCO 000	2	1
€60,000 to €69,999	2	1
€70,000 to €79,999 €80,000 to €89,999	1	1
€90,000 to €99,999	-	-
€100,000 to €39,999		1
€110,000 to €103,333	2	1
€120,000 to €179,999		_
€130,000 to €129,999		:=:
€140,000 to €149,999	-	1
ATTENDED TO THE STATE OF THE ST	7	6

Key management personnel

Included in the staff costs above are the following payments to key personnel; The CEO was paid €83,166 up to his retirement on the 1 August 2016. The interim CEO was paid €66,420 from 1 August 2016 to 21 December 2016.

Directors remuneration 8.

The directors were paid no remuneration during the year (2015 : €nil).



Notes to the financial statements (continued) Year ended 31 December 2016

9.	Tangible assets	Leasehold Improvements	Office equipment	Fixtures, fittings and equipment	Total
		€	€	€	€
	Cost At 1 January 2016 Additions	119,154	65 , 585	74,896 1,749	259,635 1,749
	At 31 December 2016	119,154	65,585	76,645	261,384
	Depreciation At 1 January 2016 Charge for the year At 31 December 2016	95,322 11,914 107,236	65,585 - 65,585	74,808 525 75,333	235,715 12,439 248,154
	Net book value At 31 December 2016	11,918		1,312 ———	13,230
In re	spect of the prior year:	Leasehold Improvements	Office equipment	Fixtures, fittings and equipment	Total
		€	€	€	€
	Cost At 1 January 2015 Additions At 31 December 2015	119,154 - - 119,154	65,585 - 65,585	74,896 - 74,896	259,635 - 259,635
	Depreciation	===			
	At 1 January 2015 Charge for the year	83,408 11,914	61,229 4,356	74,719 89	219,356 16,359
	At 31 December 2015	95,322	65,585	74,808	235,715
	Net book amount At 31 December 2015	23,832		88	23,920



Notes to the financial statements (continued) Year ended 31 December 2016

10.	Debtors			
			2016	2015
			€	€
	Trade debtors		42,350	
	Other debtors		10,272	
	Prepayments and accrued income		75,171	54,008
5	W.		127,793	54,008
				¥
11.	Cash and cash equivalents		0016	2015
			2016 €	2015
	O to the board in board		1,171,019	1,406,428
	Cash at bank and in hand		====	====
	a un annual falling due within one year			
12.	Creditors: amounts falling due within one year		2016	2015
			€	€
	Trade creditors		83,359	72,069
	Other creditors		658,397	878,692
	PAYE/ PRSI			328
	Accruals		53,685	50,811
			795,441	1,001,900
			====	
0.252	a de la companya de l			
13.	Analysis of net assets between funds	Restricted U	nrestricted	Total
		funds	funds	
		€	€	€
	Funds balance at 31 December 2016 are represented by:			
	Toward Access		13,230	13,230
	Tangible Fixed Assets	84,140	1,214,672	1,298,812
	Current Assets Current Liabilities	-	(795,441)	(795,441)
	Outletit Liabilities			-
	Total Net Assets	84,140	432,461	516,601

Capital commitments 14.

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



Technological Higher Education Association (formerly IOTI)

(A Company Limited by Guarantee and Not Having a Share Capital)

Notes to the financial statements (continued) Year ended 31 December 2016

15. **Operating leases**

The company as lessee

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

	2016	2015
	€	€
Not later than 1 year	182,237	182,237
Later than 1 year and not later than 5 years	91,119	258,169
*	273,356	440,406
/2		=

16. 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).

Events after the end of the reporting period 17.

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

18. Approval of financial statements

The board of directors approved these financial statements for issue on $\frac{7.9.17}{}$

P. Mulcohy