



Company registration number: 403738

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

Directors' report and financial statements

for the financial year ended 31 December 2018

"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"

Brendan McCormack
Director

Gearoid Hodgins
Company Secretary

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Company information

Directors	Prof. Ciaran O'Cathain Mr. Paul Hannigan	Prof. William Donnelly Prof. Brian Norton (Resigned 31 December 2018)
	Dr. Annie Doona Dr. Oliver Murphy Dr. Patricia Mulcahy Prof. Vincent Cunnane Dr. Fergal Barry (Resigned 27 August 2019) Dr. Michael Hannon (Appointed 26 August 2019)	Dr. Diarmuid O'Callaghan (Resigned 31 December 2018) Dr. Brendan McCormack Dr. James Finbarr O'Connor Dr. Michael Mulvey Mr. Thomas Stone (Resigned 31 December 2018)
Secretary	Gearoid Hodgins	
Chief executive	Dr. Joseph Ryan	
Company number	403738	
Charity number	CHY 17033	
Registered office	First Floor Fumbally Square Fumbally Lane Dublin 8	
Auditor	RSM Ireland Statutory Audit Firm 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	

**Directors' report
for the financial year ended 31 December 2018**

The directors present their report and the financial statements of the company for the year ended 31 December 2018.

Objectives and Activities of THEA

The principal activity of the company is the provision of advocacy, representational, management and support services to the technological higher education sector.

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, Carlow; Cork 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 Technological Universities or 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 Institutions 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)
for the financial year ended 31 December 2018

It enables the Presidents of the Participating Institutions to co-ordinate the work of the Institutions nationally, and it supports the management teams of the Institutions in the discharge of their duties towards their respective institutions.

Achievements and Performance

Academic Affairs and International

Academic Affairs

A key milestone for THEA in 2018 was the publication of its inaugural Strategic Plan 2018-23. Academic Affairs coordinated its development, in close collaboration with the other functional areas in THEA. The plan was devised through an extensive consultation and engagement exercise involving THEA's members and 15 stakeholder organisations, including the Department of Education and Skills, the Higher Education Authority, and representative organisations in the areas of education, business, workers and students. The process enabled the organisation to distil a core mission statement, identify key operating principles, which in turn gave rise to three strategic goals and associated objectives and actions.

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. A second colloquium was held in CIT in May 2019.

In the area of Quality Assurance, a key development was the commencement under QQI of the new cycle, entitled the Cinnte cycle, of institutional reviews, beginning with reviews of IT Sligo and LYIT in February 2018. THEA Academic Affairs engaged extensively with QQI in the design and implementation of the process, and, as part of each review, will brief each of the external review panels by providing an institutional/sectoral perspective that contextualises in a broader manner the experience of the institutes under review. Significant progress was also made in 2018 on new legislation pertaining to the quality assurance and qualifications systems, which culminated in the signing into law of the Qualifications and Quality Assurance (Education and Training) (Amendment) Act in July 2019. THEA engaged extensively with the Department of Education and Skills, QQI and the IUA as the bill progressed through the Oireachtas, including appearing before the Oireachtas Joint Committee on Education and Skills. The new legislation grants THEA's members Designated Award Body status up to Level 9 of the National Framework of Qualifications, and also provides for the recognition of their award in the NFQ and the regulation of international education.

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 fifth iteration of the survey took place in 2018, in which over 38,371 students responded across 27 higher education institutions, producing an overall response rate of 28%, the highest since ISSE began in 2013. 2018 also saw the initial iteration of the ISSE-PGR pilot survey, the first national activity to comprehensively seek the views of postgraduate research students in Irish higher education institutions. A total of 2,928 postgraduate students responded to the pilot survey, representing a national response rate of 32.5%.

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, the National Access Plan Steering Group and IBEC's Labour Market and Skills Council.

Directors' report (continued)
for the financial year ended 31 December 2018

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. THEA has formed a new alliance with the UAS network international chairs.

THEA works closely with Enterprise Ireland which has responsibility for the national brand 'Education in Ireland' through participation in various review and planning events, workshops, seminars, overseas missions and market intelligence reviews. THEA also liaises with the international sections of both HEA and DES. A joint event with HEA and the Irish Research Council took place in Brazil in April 2018. Work with HEA on the operation of the Staff Mobility Scheme and Government of Ireland Scholarship Schemes are ongoing. THEA continued input to national policy on internationalisation through participation in the Department of Education led High Level Group on Internationalisation. THEA was an active member of the steering group led by UCD on the Internationalisation of Higher Education in Ireland which published its findings in 2018.

THEA worked with Quality and Qualifications Ireland on various aspects of internationalisation, including conferences and working groups and included membership of a working group on the development of the International Education Mark and the Asia forum on quality and recognition in Trans National Higher Education. THEA also worked closely with IUA in organising joint events for members of both organisations, for example a one day workshop on the use of English language testing for international admissions.

The THEA International desk provides a shared service on aspects of the Institutes' International Education student mobility activities. The main shared service activities in 2018 focused on Canada, Brazil, South Africa and Europe. Collaboration with Canada continued with emphasis on further developing new activity in British Columbia, where an MOU with a network of colleges was signed in June 2016. Developments on Brexit were monitored to identify both threats and opportunities that may arise.

There was ongoing engagement with Department of Justice and the Irish Naturalisation and Immigration Service (INIS) in relation to the management of international student permissions and visas.

THEA RDIE Office

During 2018 THEA submitted responses to five national RDIE consultations: DBEI consultation on proposed SFI Centres for Research Training programme; HEA Research and Graduate Education Sub-Committee request for research priorities from the technological higher education sector; DBEI consultation on Horizon Europe, the Ninth EU Framework Programme for Research and Innovation; DBEI public consultation on the mid-term review of Innovation 2020, the national research and innovation strategy; SFI public consultation on the future SFI Strategy 2020-2025. The SFI Strategy is of particular importance to the sector. THEA's Director of RDIE is part of a consultation group on the strategy and arranged visits by SFI's Deputy Director General to several IOTs as part of the external consultation process, in addition to taking part in a sector workshop hosted by DIT in Q4 2018. A sectoral RDIE position paper was developed by THEA and sector representatives during 2018 and will shortly be finalised.

Three events were hosted or co-hosted by the RDIE Office in 2018: a THEA RDIE Strategy Day (February 2018); a Mutual-learning seminar on Researcher Careers Frameworks (June 2018); and a Horizon 2020 for IOTs Info Day with Enterprise Ireland (June 2018). The RDIE Office developed all the content for the Research and Innovation, and Engagement sections of the new THEA website and are continuing to improve the content on an ongoing basis. THEA developed a supplement in the Irish Independent during Science Week 2018 showcasing STEAM research in the sector; the print version was complemented by a micro-site on the THEA website.

Directors' report (continued)
for the financial year ended 31 December 2018

THEA has worked with the sector to successfully lobby Enterprise Ireland to launch a capital equipment call for the IOTs, with a focus on the Technology Gateway Network. EI have committed €6.2 million in awards to the sector following a competitive call in the first half of 2019. In 2019, the sector received the very first RFAM allocation for Research and Innovation capacity building. €5M of funding was allocated across the sector based on interim metrics developed by the HEA and THEA. A working group of THEA members is developing metrics for the 2020 allocation (and beyond).

Matters Progressed via Representation on External Working Groups

- i) Knowledge Transfer Ireland: THEA and representatives from the sector were members of the temporary KTI IP Policy Implementation Group (March-May 2018) and worked with KTI to make practical recommendations following on from the KTI/HEA review of IP and Conflicts of Interests policies. THEA and representatives from the sector are participating in the KTI State Aid working group, progressing a national state aid guide to sit alongside the national IP policy.
- ii) National Open Research Forum: THEA and representatives from the sector have assisted the OR Forum with developing the forthcoming National Open Research Principles.
- iii) National Research Integrity Forum: THEA has worked with the RI Forum to a) put in place online research integrity training in all Irish HEIs, b) update the National Policy Statement on Ensuring Research Integrity in Ireland and c) start developing a research assurance mechanism for the HEIs. THEA's Director of RDIE is Deputy Chair of the RI Forum.
- iv) Bibliometrics Working Group: THEA has worked with colleagues from the HEA, IUA and IReL to identify three potential bibliometric tools. Three sector representatives are participating in the sub-groups to validate the tools with a view to establishing a national subscription to the tool most suitable for use in the Irish system.
- v) Higher Education Research Group: THEA has continued to work with the IUA and DES on implementing a National Researcher Careers Framework within Irish HEIs, as foreseen in Innovation 2020. The proposal was approved by the I2020 Inter-departmental Group in April 2019, and implementation will commence shortly.

International Engagement

- i) Horizon 2020: The THEA Director of RDIE continues in the role as Ireland's National Delegate to the Horizon 2020 Marie Skłodowska-Curie actions and attended two Programme Committee meetings in Brussels during 2018. The role provides access to valuable information and insights about Horizon 2020 funding at national and international level.
- ii) UASNet: THEA met with the Secretary General and President of UASNet in Dublin in October 2018 and have identified several opportunities for strengthened collaboration in the RDIE area. IOTI was a founding member of UASNet.
- iii) INTERREG: The THEA Director of RDIE has joined the Steering Committee of the CHITIN (Cross-border Healthcare Intervention Trials in Ireland Network) INTERREG VA project.
- iv) MLE on Research Integrity: The THEA Director of RDIE is representing Ireland in a Mutual Learning Exercise on Research Integrity coordinated by the European Commission. The outcomes of the exercise will be fed back into the sector.

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.

Directors' report (continued)
for the financial year ended 31 December 2018

THEA continues to support the sector in their efforts to secure Athena SWAN awards. At the time of writing, three IOTs (CIT, IT Carlow and the former DIT) have received Bronze Institution Awards, with further applications under review and foreseen for submission during 2019. THEA organised three Athena SWAN Capacity-Building Workshops in Limerick, Sligo and Dublin between March and May 2018. THEA and colleagues from the sector improved the information on the sector included in the briefing document on Ireland provided to evaluators assessing applications from Ireland. This was made available to evaluators for the May 2018 round of applications, from which DIT secured the first Athena SWAN award to be made to an IOT. The THEA Director of RDIE chairs the finance sub-committee of the National Committee.

Corporate Affairs

Through the Director of Corporate Affairs, THEA continued to provide a human resources/industrial relations support function at national level for its members. 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 its members at national industrial relations fora with TUI and FORSA as well as representing institutions on an occasional basis both locally and nationally.

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. It is intended to be a living document and was updated in June 2019.

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 or a Technological University is eligible for membership of the Association.

Directors' report (continued)
for the financial year ended 31 December 2018

In February 2018, the HEA confirmed by letter the awarding of funding of €800,000 over three years to THEA for a range of projects. These projects included €20,000 p.a. for an annual conference/colloquium to promote IoT capability and facilitate collaboration across the sector as well as €100,000 p.a. has been awarded for the appointment of a shared Institutional research resource to improve the evidence base to underpin decision-making across the institutes. A report on the first colloquium is included above under Academic Affairs and the appointment of a Data Analyst is set out below.

As of September 2019, THEA is finalising a Service Level Agreement with the Department of Education and Skills. The purpose of the SLA is the promotion of partnership, responsiveness, and mutual co-operation in their ongoing interactions. It sets out a number of responsibilities of THEA towards the DES and Government.

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.

Appointments

Ms. Roisin O'Connell was appointed as Head of Communications in October 2018. Mr. Sean O'Reilly was appointed as Data Analyst 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 pages 14 and 15. The net income for the financial year amounted to €30,170 (2017: net income of €47,465). Of this surplus €23,184 was allocated against unrestricted funds and €6,986 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)
for the financial year ended 31 December 2018

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 2018.

Political donations

There were no political donations during the year.

Directors

In accordance with the Constitution, 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.

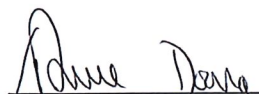
Auditors

RSM Ireland Business Advisory Limited t/a RSM Ireland 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 23.9.19 and signed on behalf of the board by:

A handwritten signature in blue ink, appearing to read 'Brendan McCormack'.

Brendan McCormack
Director

A handwritten signature in blue ink, appearing to read 'Annie Doona'.

Annie Doona
Director

Date: 23/9/19

**Directors' responsibilities statement
for the financial year ended 31 December 2018**

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 net income/expenditure 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 judgements 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 net income/expenditure 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.

**Independent auditor's report to the members of
for the financial year ended 31 December 2018**

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 2018 which comprise the Statement of Financial Activities, 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 Recommended 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 2018 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.

**Independent auditor's report to the members of
for the financial year ended 31 December 2018**

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.

**Independent auditor's report to the members of
for the financial year ended 31 December 2018**

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 a going concern. 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 a going concern.
- 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.

A handwritten signature in black ink, appearing to read 'Patrick Keegan', is written over a dotted line.

Patrick Keegan
For and on behalf of
RSM Ireland
Statutory Audit Firm
Trinity House
Charleston Road
Ranelagh
Dublin 6

Date: 24/9/19

Statement of financial activities
for the financial year ended 31 December 2018

		Unrestricted Funds €	Restricted Funds €	Total 2018 €	2017 €
Income and endowments from:	Notes				
Charitable activities	3	1,310,130	360,000	1,670,130	1,589,441
Investments	4	475	-	475	164
Sundry income		699	-	699	-
HEA funding		43,226	-	43,226	50,000
Total income and endowments		1,354,530	360,000	1,714,530	1,639,605
 Expenditure on:					
Charitable activities	5	1,331,346	353,014	1,684,360	1,592,140
Total expenditure on charitable activities		1,331,346	353,014	1,684,360	1,592,140
 Net income/ (expenditure)		23,184	6,986	30,170	47,465
 Reconciliation of funds:					
Total funds brought forward		419,576	144,490	564,066	516,601
Total funds carried forward		442,760	151,476	594,236	564,066

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

The company has no other recognised items of income and expenses other than the results for the year as set out above.

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

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

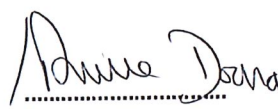


Balance sheet
as at 31 December 2018

	Note	2018 €	2017 €
Fixed assets			
Tangible assets	9	<u>11,406</u>	<u>3,971</u>
		11,406	3,971
Current assets			
Debtors	10	162,047	6,168
Cash at bank and in hand	11	<u>1,277,004</u>	<u>1,496,119</u>
		1,439,051	1,502,287
Creditors: amounts falling due within one year	12	<u>(856,221)</u>	<u>(942,192)</u>
Net current assets		582,830	560,095
Total assets less current liabilities		594,236	564,066
Net assets		<u>594,236</u>	<u>564,066</u>
The funds of the charity			
Restricted income funds		151,476	144,490
Unrestricted funds		<u>442,760</u>	<u>419,576</u>
Total Funds		<u>594,236</u>	<u>564,066</u>

These financial statements were approved by the board of directors on 23.9.19 and signed on behalf of the board by:


Brendan McCormack
Director


Annie Doona
Director

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

Statement of changes in equity
for the financial year ended 31 December 2018

	Restricted	Unrestricted	Total
	€	€	€
At 1 January 2017	84,140	432,461	516,601
Net (expenditure) for the year	60,350	(12,885)	47,465
Total funds for the year	<u>144,490</u>	<u>419,576</u>	<u>564,066</u>
At 31 December 2017	<u>144,490</u>	<u>419,576</u>	<u>564,066</u>
 At 1 January 2018	 144,490	 419,576	 564,066
Net income for the year	6,986	23,184	30,170
Total funds for the year	<u>151,476</u>	<u>442,760</u>	<u>594,236</u>
At 31 December 2018	<u>151,476</u>	<u>442,760</u>	<u>594,236</u>

Statement of cash flows
for the financial year ended 31 December 2018

	2018 €	2017 €
Reconciliation of changes in resources to net inflow/ (outflow) from operating activities		
Net incoming/ (outgoing) resources	30,170	47,465
Depreciation of tangible assets	4,838	12,967
(Increase)/ decrease in debtors	(155,879)	121,625
Increase/ (decrease) in creditors	(85,970)	146,751
Net cash inflow from operating activities	(206,841)	328,808
Cash flow statement		
Net cash inflow/ (outflow) from operating activities	(206,841)	328,808
Capital expenditure	(12,274)	(3,708)
Increase in cash in the year	(219,115)	325,100
Reconciliation of net cash flow to movement in funds		
Net movement in funds in the year	(219,115)	325,100
Net funds at 1 January 2018	1,496,119	1,171,019
Net funds at 31 December 2018	1,277,004	1,496,119

**Notes to the financial statements
for the financial year ended 31 December 2018**

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 2018.

The Technological Higher Education Association 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 have been prepared on the going concern basis and in accordance with the historical cost convention modified to include certain items at fair value. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council. 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 have sufficient funds available to operate for at least a further twelve months from the financial statement date.

Notes to the financial statements (continued)
for the financial year ended 31 December 2018

Funding accounting

Unrestricted funds 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.

Designated 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.

Notes to the financial statements (continued)
for the financial year ended 31 December 2018

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.

Notes to the financial statements (continued)
for the financial year ended 31 December 2018

Tangible fixed assets and depreciation

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

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)
for the financial year ended 31 December 2018

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. The net book value of tangible fixed assets at 31 December 2018 was €11,406 (2017 : €3,971).

Technological Higher Education Association
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Notes to the financial statements (continued)
for the financial year ended 31 December 2018

3. Income from charitable activities	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 2018	Unrestricted funds	Restricted funds	Total 2017
Charitable activities						
Remittances from Institutes of Technology	1,310,130	-	1,310,130	1,229,441	-	1,229,441
ISSE income	-	360,000	360,000	-	360,000	360,000
	<u>1,310,130</u>	<u>360,000</u>	<u>1,670,130</u>	<u>1,229,441</u>	<u>360,000</u>	<u>1,589,441</u>

Notes to the financial statements (continued)
for the financial year ended 31 December 2018

4. *Interest receivable and similar Income*

	2018	2017
	€	€
Bank interest	475	164

Technological Higher Education Association
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Notes to the financial statements (continued)
for the financial year ended 31 December 2018

5. Total Resources Expended	Unrestricted funds Management, Administration, and Institute support	Restricted funds	2018 Total	Unrestricted funds Management, Administration, and Institute support	Restricted funds	2017 Total
	€	€	€	€	€	€
Staff costs	878,478	111,827	990,305	734,532	98,941	833,473
Travel and subsistence	20,711	11,239	31,950	24,876	7,485	32,361
Premises	217,081	13,217	230,298	229,501	12,459	241,960
Professional and consultancy fees	45,326	161,401	206,727	44,927	155,929	200,856
Other support costs	169,750	55,330	225,080	258,654	24,836	283,490
	<u>1,331,346</u>	<u>353,014</u>	<u>1,684,360</u>	<u>1,292,490</u>	<u>299,650</u>	<u>1,592,140</u>

Notes to the financial statements (continued)
for the financial year ended 31 December 2018

6. Net (resources expended)

The net (resources expended) is arrived at after charging:	2018	2017
	€	€
Depreciation and other amounts written off tangible assets	4,838	12,967
	<u>4,838</u>	<u>12,967</u>

7. Staff costs

The average number of employees (excluding seconded personnel) during the year was 7 (2017: 6).
The aggregate payroll costs were as follows:

	2018	2017
	€	€
Wages and salaries	383,716	306,213
Social welfare costs	34,807	27,599
Seconded personnel wages and salaries	405,257	390,491
Seconded personnel pension costs	116,087	76,089
Seconded personnel social welfare costs	39,481	31,701
Staff training	10,957	1,380
	<u>990,305</u>	<u>833,473</u>

Number of higher paid staff including seconded personnel

	2018	2017
€60,000 to €69,999	3	3
€70,000 to €79,999	-	-
€80,000 to €89,999	1	1
€90,000 to €99,999	1	-
€100,000 to €109,999	1	-
€110,000 to €119,999	2	2
€120,000 to €129,999	-	-
€130,000 to €139,999	-	1
€140,000 to €149,999	-	-
€150,000 to €159,999	1	-
	<u>9</u>	<u>7</u>

Key management personnel

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

An amount of €155,697 was paid to key management personnel from 01 January 2018 to 31 December 2018.

8. Directors remuneration

The directors were paid no remuneration during the year (2017 : €NIL).

Notes to the financial statements (continued)
for the financial year ended 31 December 2018

9. Tangible assets

	Leasehold Improvements	Office equipment	Fixtures, fittings and equipment	Total
	€	€	€	€
Cost				
At 1 January 2018	119,154	69,293	76,645	265,092
Additions	-	12,273	-	12,273
At 31 December 2018	<u>119,154</u>	<u>81,566</u>	<u>76,645</u>	<u>277,365</u>
Depreciation				
At 1 January 2018	119,154	66,196	75,771	261,121
Charge for the year	-	4,401	437	4,838
At 31 December 2018	<u>119,154</u>	<u>70,597</u>	<u>76,208</u>	<u>265,959</u>
Net book value				
At 31 December 2018	<u>-</u>	<u>10,969</u>	<u>437</u>	<u>11,406</u>
At 31 December 2017	<u>-</u>	<u>3,097</u>	<u>874</u>	<u>3,971</u>

10. Debtors

	2018	2017
	€	€
Other debtors	159,760	-
Prepayments and accrued income	2,287	6,168
	<u>162,047</u>	<u>6,168</u>

11. Cash and cash equivalents

	2018	2017
	€	€
Cash at bank and in hand	<u>1,277,004</u>	<u>1,496,119</u>

Notes to the financial statements (continued)
for the financial year ended 31 December 2018

12. Creditors: amounts falling due within one year

	2018	2017
	€	€
Trade creditors	194,906	64,146
Other creditors	30,369	180,434
PAYE/ PRSI	15,294	13,299
Accruals	100,420	32,031
Deferred income	515,232	652,282
	<u>856,221</u>	<u>942,192</u>

13. Details of creditors

	2018	2017
	€	€
Deferred income		
Grants including government grants	506,940	615,059
Deferred income	8,292	37,223
	<u>515,232</u>	<u>652,282</u>

14. Analysis of net assets between funds

	Restricted funds	Unrestricted funds	Total
	€	€	€
Funds balance at 31 December 2018 are represented by:			
Tangible Fixed Assets	-	11,407	11,407
Current Assets	658,416	780,635	1,439,051
Current Liabilities	(506,940)	(349,282)	(856,222)
Total Net Assets	<u>151,476</u>	<u>442,760</u>	<u>594,236</u>

15. Capital commitments

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

Notes to the financial statements (continued)
for the financial year ended 31 December 2018

16. Operating leases

The company as lessee

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

	2018	2017
	€	€
Not later than 1 year	184,513	191,893
Later than 1 year and not later than 5 years	731,642	786,885
Later than 5 years	990,140	-
	<u>1,906,295</u>	<u>978,778</u>

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. Related party transactions

There were no transactions with related parties during the year apart from those transactions which are exempt from disclosure under Section 33.11 of FRS102.

20. Key management personnel

The directors and CEO are considered to be the key management personnel of the company. The compensation paid or payable to the directors and CEO is disclosed in notes 7 and 8.

21. Controlling party

The company is ultimately controlled by its members.

22. Approval of financial statements

The board of directors approved these financial statements for issue on