



Consolidated Financial Statements  
*of*  
National University of Ireland, Maynooth  
(commonly known as Maynooth University)  
*for the year ended 30<sup>th</sup> September 2020*

(Prepared under Generally Accepted Accounting Principles)



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## **General Information**

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**Auditors**

Comptroller and Auditor General,  
3A Upper Mayor Street,  
Dublin 1.

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**Bankers**

Allied Irish Banks Plc,  
Main Street,  
Maynooth,  
Co. Kildare.

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**Legal Advisers**

McCann FitzGerald,  
Riverside One,  
Sir John Rogerson's Quay,  
Dublin 2.

## Report of the Bursar

I have the pleasure to present the Annual Financial Statements of Maynooth University (officially the 'National University of Ireland, Maynooth') for the year ended 30<sup>th</sup> September 2020 prepared in accordance with Financial Reporting Standard FRS102 and the Statement of Recommended Practice (SORP) – Accounting for Further and Higher Education 2015 with one presentation exception which is the disclosure of deferred State Capital Grants in reserves rather than within creditors as recommended by the SORP. This exception is not a material departure and does not affect 'true and fair view' of the Financial Statements. This presentation of the Annual Financial Statements was approved by the HEA in accordance with Section 39(i) of the Universities Act 1997.

### Review of the year

No review of 2019/20 can ignore the Covid-19 pandemic that defined the world during the year. I am conscious of the sacrifices made by everyone during this extraordinary time. The global pandemic touched upon Maynooth University in many ways. Monsignor Jim Cassin, a member of the fourth and fifth Governing Authorities at Maynooth University died from Covid-19 early in the pandemic. Parents, relations and friends of staff and students also lost their lives to Covid-19. Some staff and students suffered from, and recovered from, the virus. As a direct result of the global pandemic, the University moved to remote teaching at the end of March 2020. The campus was effectively closed. A Herculean effort was made by all staff to ensure the University continued to operate, albeit differently, during these very difficult times. I want to acknowledge the work and efforts of all staff in allowing the University to complete the academic year 2019/20 and begin the academic year 2020/21 in a manner that was professional, courteous and at the same time academically rigorous. As a community, the University is rightly proud of itself and what it has achieved during a very difficult period. With the discovery and approval of vaccines for the treatment of Covid-19, the University can look forward to some improvement in the operating environment in the second half of 2021.

The Maynooth University family is immensely proud of all those staff and alumni who played a part in the national response to the pandemic. I can say that everyone I have spoken to in the University community throughout 2020 has expressed nothing but admiration and respect for the efforts of our President, Professor Philip Nolan, and the national leadership he has shown (with others) in the fight against Covid-19. He has become a household name nationally, an immediately recognisable figure by just about anybody in society and a champion for ordinary people as they attempt to live their lives during the pandemic. We are all proud to say that he is one of us.

The final outcome for the year indicates a surplus of €6.389m, which compares to a surplus of €0.23m in the previous year. As I will discuss below, with the exception of Other Income, our income grew in line with projections and the University made significant cost savings across a number of expenditure items. MU also received Covid Support grant funding from the HEA to cover the additional specific Covid-19 related costs. Of this €1.729m was recognised in the Statement of Comprehensive Income in 2019/20 and €0.48m was capitalised and will be released to the SOCI over three years.

Total income at €164.4m is up €19.9m on 2018/19 (before accounting for deferred pension funding). Of that €9.6m related to Research Income, €6.6m in Fees and €5m relates to an increase in the state grant. This is offset by a reduction in Other Income of €1.4m. Deferred pension funding of €28.8m is up €0.5m on the previous year. Total expenditure at €157.5m (excluding deferred pension costs) is up €13m on 2018/19. This is largely attributable to the increase of €8.2m in Other Operating expenses (mainly due to research partnering activity) and €5m in staff costs primarily driven by an increase in staff numbers (up 39 year on year), pay restoration and increments. Of the €5m increase in pay, €1.4m relates to research pay. Figure 1 below compares the income for 2019/20 to 2018/19 and Figure 2 compares the expenditure for 2019/20 to 2018/19

## Report of the Bursar (continued)

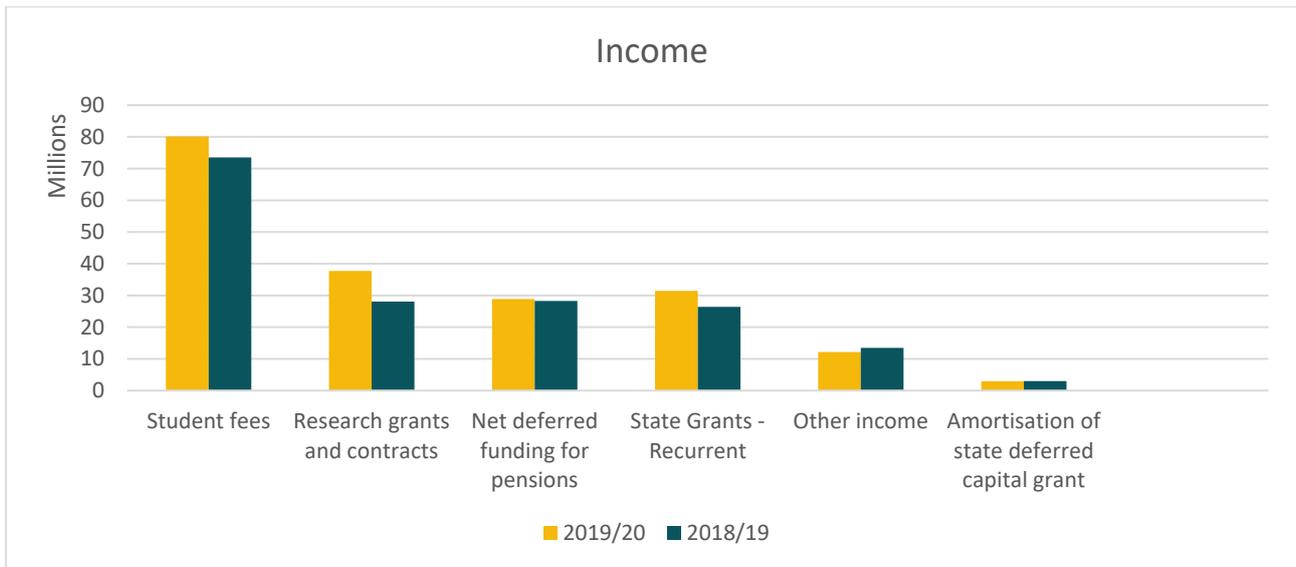


Fig 1. Comparison of income from 2018/19 to 2019/20

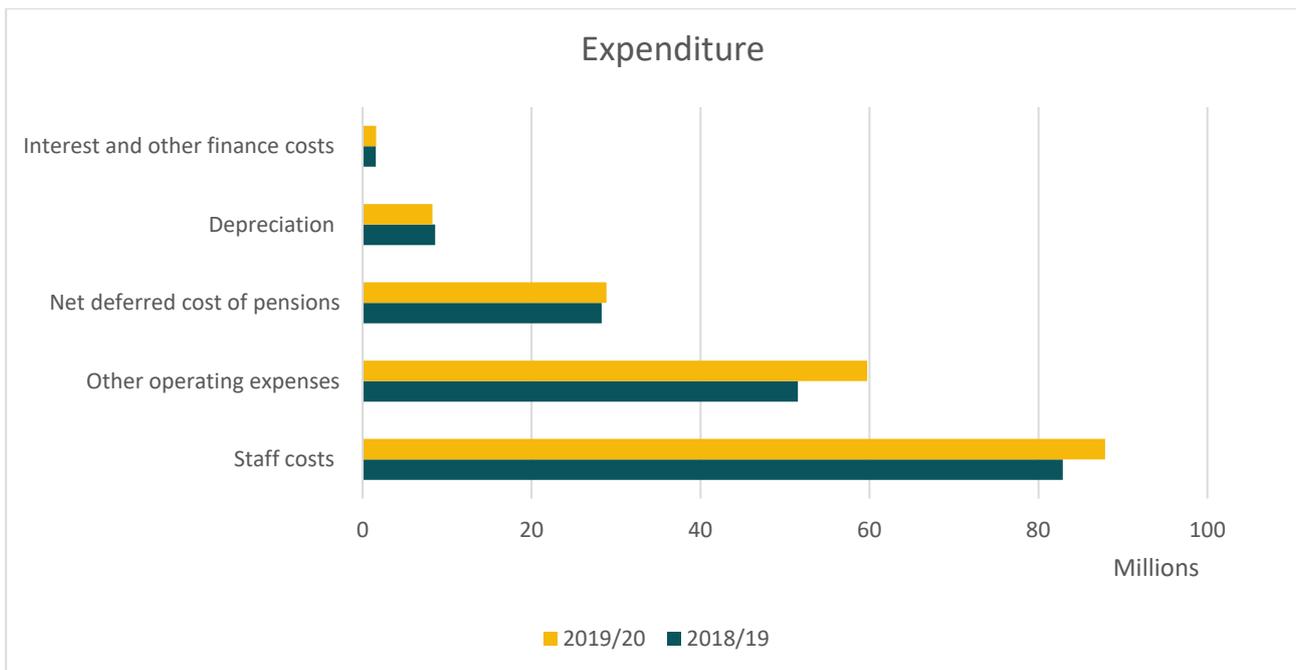


Fig 2. Comparison of expenditure from 2018/19 to 2019/20

## Report of the Bursar (continued)

Student fees are the dominant income source for universities, with fees accounting for 49% of income (excluding pensions income) in the year (2019: 50%). Student fee income increased by €6.6m to €80.1m representing a 9% increase over the previous year. The increase is driven by an increase in student numbers (including the first intake in MIEC in China which generated Income of €1.6m) and a change in the mix of undergraduate students.

Undergraduate fees accounted for €55.3m (2019: €59m) whilst postgraduate fees accounted for €12m (2019: €11m). In 2019/20, €48m was paid directly to the University on behalf of students by parties other than the Higher Education Authority. The State paid €32m (2019: €27.7m) of student fees on behalf of students under the HEA funding 'free-fees scheme'. Also, €11.9m (2019: €11.9m) was received through *Student Universal Support Ireland* (SUSI).

Of the €48m paid by or on behalf of students, non-EU students paid €7.3m (2019: €5.1m). The individual EU student contribution remained at €3,000. Both student fee income and state grant income are largely driven by student numbers. Figure 2 below compares undergraduate, postgraduate, student levy and miscellaneous fees for 2019/20 to 2018/19.

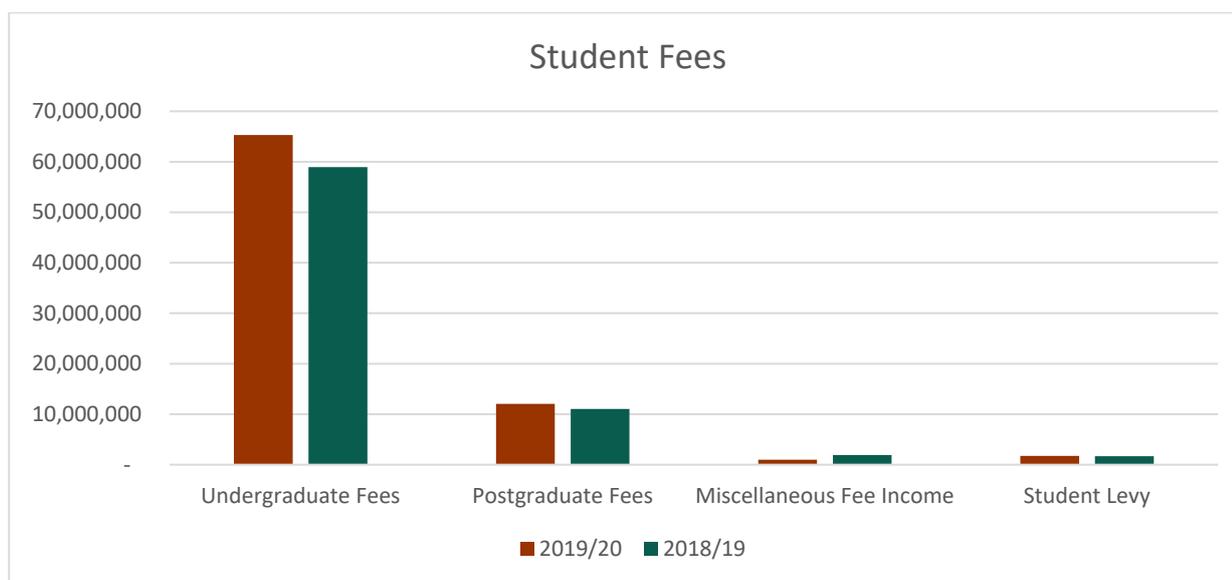


Fig 2. Comparison of Student Fees 2018/19 to 2019/2020

Other income has decreased by €1.4m to €1.8m primarily due to loss of €0.95m in residences, loss of rent and concession income of €0.7m offset by a slight increase of €0.25m in other grant income. The student refunds on accommodation and the loss of rental and concession income are all directly related to Covid-19 and the University is confident that this income can be restored in 2021/22.

Income from research grants and projects showed an overall increase of €9.6m over the previous year (34% increase). A major part of this increase relates to income for EU projects led by MU and then distributed to research partners in other institutions (increase €8.5m).

The income for research carried out on campus at MU (excluding IReL) in 2019/20 is €14m (2019: €14m). This indicates that the scale of activity is still lagging awards. This can partly be attributed to slow down in expenditure following the onset of the pandemic in March 2020, and which affected the final seven months of the year. Despite this, there have also been a number of recent awards of note. Researchers responded to the crisis with a number of short-term research projects designed to understand and alleviate the effects of Covid-19. Two European Research Council awards were won by researchers in Law and Biology in the 2019/20 period, which is a significant success given that these are won in competition with researchers across all of Europe and open to all areas of research. Finally, in December 2020 a major multi-institutional climate change research project, led by ICARUS and NCG, has been co-funded to €5.6m by Microsoft Ireland and Science Foundation Ireland. This will represent a significant increase in industry income in the coming years.

## Report of the Bursar (continued)

Recurrent expenditure for the year amounted to €157.5m (€184.4m including deferred pension costs), a €13m or 9% increase year on year. Staff costs were €87.9m and are up by €5m or 6% over 2018/19. The increase relates to additional staff, 39, pay restoration and payment of increments. The FRS102 service charge related to pensions increased by €5.2m to €24m. Non-pay costs increased by €8.2m or 16% compared to 2018/19. Table 1 below outlines the main movements in non-pay costs. Of this increase, €8.5m relates to new research partnering activity, €1.2m in IRel expenditure, €1.1m in equipment, offset by savings across a number of expenditure items.

	2019/20	2018/19	Variance	Percentage	Explanation
	€000	€000	€000		
Travel & Subsistence	1,403	2,839	(1,436)	(51%)	Reduced travel due to Covid -19 restrictions
Hospitality & Entertainment	73	132	(59)	(45%)	Reduced hospitality due to Covid-19 restrictions
Consumables	2,195	2,672	(477)	(18%)	Savings in computer and lab supplies due to the reduced on-campus presence
Repairs & General Maintenance	3,803	3,827	(24)	0.6%	Not significant
Utilities	1,792	2,038	(246)	(12%)	Savings in heating costs due to new more efficient boilers and reduced on campus presence
Cleaning & Contract Security	1,730	1,906	(176)	(9%)	Increase in cleaning costs related to transition between two suppliers in prior year and reduced cleaning required in 19/20 due to Covid-19
Research Library e-Journals	14,167	12,960	1,207	9.3%	Full year of expenditure relating to new Consortium member in 2019/20
Books & Periodicals	1,411	1,614	(203)	(12%)	Once-off purchase of state papers database in 18/19
Audit, Professional & Consulting	2,516	2,765	(239)	(9%)	Reduction in legal fees
Rent, Rates & Insurance	2,231	2,440	(209)	(9%)	Reduction in rent for South Campus
Capitation	1,793	1,844	(51)	(3%)	Variance not material
Scholarships	6,652	6,074	578	10%	Increase in internal funding of stipend and tuition fees scholarships
Equipment	4,727	3,561	1,166	33%	IT upgrades, purchase of computer equipment, software, licence renewals, HEA Laptops for Access Students
Other Employee Related Expenses	707	910	(203)	(22%)	Reduction in conference fees and recruitment costs due to Covid-19
Advertising & PR	781	1,266	(485)	(38%)	Reduction in course advertising and marketing
Student related costs	3,076	2,434	642	26%	Increase in third party teaching for Fuzhou and direct student assistance and support
Other Expenses & Charges	10,676	2,238	8,438	377%	Increase in research partnering activity €8.5m
<b>Total</b>	<b>59,733</b>	<b>51,520</b>	<b>8,213</b>		

Table 1: Movements in Non-Pay costs 2019/20 vs 2018/19

## Report of the Bursar (continued)

Capital expenditure during the year amounted to €18.6m, with €3.5m invested in land and buildings, €0.9m on capital equipment (including €0.6m in research capital equipment) and €14.2m in Work in Progress. Of the €3.5m in L&B additions, €3m relates to a carpark and a development site and the €12.7m of the WIP balance relates to the Technology Society and Innovation Project which has been progressing throughout 2019/20. Note 25 sets out the capital commitments at the year-end. Capital commitments contracted at 30<sup>th</sup> September 2020 amounted to €42.1m (2019: €15.5m) of which €38m relates to the Technology Society and Innovation Project. In 2018/19 the HEA awarded the University a €25m capital grant towards this project of which €18.625m has been received by December 2020. A further €4m of contracted commitments relate to investments in sports and community facilities. In addition to the €42.1m, further authorised commitments at 30<sup>th</sup> September 2020 totalled €6.4m, which include €4.1m for the new Student Centre and €2.2m for public realm landscaping. The high level of commitments contracted and authorised reflects our commitment to invest in campus infrastructure over the coming year.

Cash and cash equivalents held at 30<sup>th</sup> September 2020 are €76.6m, up by €1.4m on the same date last year. The Statement of Cash Flow, on page 31, explains the movement which in summary arises from a net cash inflow from operating activities of €7.6m (2019: €11.4m) offset by the funding of capital projects of €10.6m (2019: €5.2m), interest and lease payments of €1.8m (2019: €1.5m) and repayment of the EIB loan of €3.8m (2019: €2.5m). Included in the year end cash balances is an amount of €34.9m relating to the EIB loan. These funds will be spent on contracted capital projects as outlined above.

The overall level of debtors and prepayments has increased by €11.5m to €28.7m. This increase is largely accounted for by an increase of €6.8m for a capital grant receivable from the HEA, a €1.7m HEA grant receivable, a funded pension asset of €1.5m, and accrued income in IReL of €0.95m. The full movements and explanations are outlined in Table 2 below.

	2019/20 €000	2018/19 €000	Variance €000	Percentage	Explanation
Projects Receivable	3,562	3,787	(225)	(6%)	Decrease in completed projects that are pending payments
Accounts Receivable	2,490	2,574	(84)	(3%)	Timing of receipts- not significant
Prepayments	5,140	4,244	896	21%	Increase in IReL prepayments due to increased activity and payment of €0.5m to one supplier in Sept 20, paid Oct 19 in prior year
Staff House Loans	14	16	(2)	(19%)	Not significant
Other Debtors	1,799	848	951	112%	Increase in accrued income for IReL project
State Recurrent Grant-Covid 19	1,729	-	1,729	100%	Additional grant received post year end relating to Covid 19 expenses
State Capital Grant	11,955	5,374	6,581	122%	Due to timing of capital receipts from the HEA in relation to the Teaching Learning & Innovation Project
Academic Fees Receivable	196	393	(197)	(50%)	Increase in bad debt provision as proportion of outstanding debt
Funded Pension	1,568	-	1,568	100%	Once off rebate and monthly remittances to DPER for single scheme and excess pensioner payments over EE and ER contributions
<b>Total</b>	<b>28,453</b>	<b>17,236</b>	<b>11,217</b>		

Table 2: Debtors and prepayments as at 30.9.2020 vs 30.9.2019

## Report of the Bursar (continued)

During the year there was a €3m movement in the pension control account, from a liability of €1.595m to an asset of €1.568m. The pension control account records all of the employee and employer contributions, pension payments and the costs of administering the schemes.

The movement in the year is explained by a once off payment to DPER in December 19 for cumulative Single Scheme employer contributions, the move to monthly payments of employee and employer contributions for the Single Scheme to DPER and the excess of payments over contributions for the Closed and Model Schemes. The receivable represents amounts owed from the HEA at 30<sup>th</sup> September 2020 to fund ongoing pensioner payments.

The overall level of creditors and accruals has increased by €8.4m to €65.6m (2019: €57.3m). This increase is largely accounted for by €9.9m in State grants received in advance, €2m research grants received in advance, €2.1m and €1.7m increase in accruals and trade creditors respectively. This is offset by reduction of in the pension liability of €1.5m. The full movements and explanations are outlined in Table 3 below.

	2019/20 €000	2018/19 €000	Variance €000	Percentage	Explanation
Research Grants & Projects unexpended	18,254	16,239	2,015	12%	Advanced funding for new SFI and EU projects, related expenditure will be incurred in 2020/21
Net Pension Liability	-	1,595	(1,595)	(100%)	See above- funded pension
Deferred Income	8,068	7,334	734	10%	Funding received in advance for specific projects - Erasmus
Academic Fees received in advance	15,849	16,557	(708)	(4%)	Decrease in payments for international students in advance of Oct 20
Trade Creditors	4,721	3,036	1,685	55%	Timing of payments, increase in computer network support and hardware suppliers
Accruals	5,877	3,785	2,092	55%	Increase in SPCM and capital accruals.
Unsecured Loans	3,822	3,838	(16)	(0.4%)	EIB loan repayments – no significant movement
State Grant in Advance	4,893	984	3,909	397%	Timing of HEA cash receipts
Other Creditors	1,112	1,230	(118)	(9%)	Timing of lump sum pension payments
Short Term Lease Liability	58	57	1	2%	Short term element of new finance lease- no significant movement
Other Tax and Social Security	3,012	2,597	415	16%	€0.4m increase in VAT and RCT liability
<b>Total</b>	<b>65,666</b>	<b>57,252</b>	<b>8,414</b>		

Table 3: Creditors and Accruals as at 30.9.2020 vs 30.9.2019

## 2. Pensions

On 31<sup>st</sup> December 2009, the assets of the Maynooth University Pension Plan transferred to the National Pension Reserve Fund. On the basis that the Oireachtas will make good, any deficiency arising to meet the University's obligations to pay pension benefits of the Closed Scheme and that future pension liabilities of the Model Scheme and the Single Scheme are funded on a pay-as-you-go basis through monies provided to the University by the Higher Education Authority for that purpose, I have recommended to the Governing Authority that an asset equal to our pension liabilities as calculated for FRS102 reporting purposes should be included in the Consolidated Statement of Financial Position as at 30<sup>th</sup> September 2020. The overall pension liability is €577m (2019: €573m). Of this amount, €141.2m (2018: €131.6m) is attributable to the Model Scheme and €17.2m (2019: €12.9m) is attributable to the Single Scheme. The Model Scheme was established as a pay-as-you-go scheme on the instructions of the Higher Education Authority. The instruction was circulated by letter to five Universities with funded pension schemes on 29<sup>th</sup> November 2004.

## Report of the Bursar (continued)

The correspondence does not specifically guarantee the payment of pensions independent of University funding to be received in future years. However, it is my belief that the normal superannuation accounting for public bodies effectively provides a guarantee.

The Single Scheme is the only pension scheme for new staff (new to the public service) as and from 1<sup>st</sup> January 2013. This scheme is sometimes referred to as the Career-Average Scheme. Correspondence received from the HEA, dated 31<sup>st</sup> August 2016, has indicated that the Single Scheme will be deemed to be a pay-as-you-go scheme with no Employer Contribution for core-funded staff. To be consistent with the treatment of the other two pension schemes, the University treats the Single Scheme as a funded scheme for the purpose of recognition of pension assets and liabilities.

The accounting treatment I have recommended reflects the actual and de-facto State guarantees that exists for the pension liabilities existing at Maynooth University on the 30<sup>th</sup> September 2020. Further details are provided under Note 21 (pages 46 - 49). Readers of these accounts will notice that the University's auditors have drawn attention to this treatment without qualifying their opinion (pages 25 - 27).

### 3. Future

I mentioned last year that Maynooth University is aware of the rising cost of tertiary education in Ireland and the challenges this presents to families and students – both in terms of cost of access and the career returns from lifelong earnings. Maynooth University has decided not to increase the cost of on-campus student accommodation for 2021-22. This is to reflect the further difficulties being experienced by many families as a result of Covid-19.

A new departure for the University in September of 2019 was the enrolment of 299 first year students in Fuzhou University in the Maynooth International Education College (MIEC) to study for degree awards in Engineering and Computer Science in China. As of September 2020, there were approximately 600 students registered and it expected that the MIEC will grow to 1,200 students over the next two years. The associated fee income earned by the University from the students of the MIEC is included in undergraduate fee income in note 3 of the financial statements. The University paid corporation tax in China on the fee income earned and the total liability for Chinese corporations' tax 2019/20 was €58k which is disclosed in note 8.

At time of writing the country is still gripped by Covid-19. The University Executive continues to consider the impact of the virus on the University and to determine if there are any going-concern considerations that require notification to the Governing Authority. The cash-flows of the University remain strong and all the indications are the University will meet its obligations as they fall due in the year ahead. I will advise the Governing Authority that the Financial Statements are prepared under the going-concern concept and that this has been considered by University Executive and is deemed appropriate.

This is the last occasion in which the Annual Financial Statements will be presented while the University is under the leadership of Professor Philip Nolan. Professor Nolan leaves office at midnight on 14<sup>th</sup> August 2021. His ten-year tenure as President has seen significant student growth, a new and vibrant undergraduate curriculum, a renewed focus on postgraduate studies coupled with a major increase in postgraduate scholarships and the transformation of the University campus by the addition of the Eolas Building, the School of Education and the (under-development) Technology, Society and Innovation Building. The success of the Strategic Plan 2012-2017 and the indications of success in the Strategic Plan 2018-2022 are testament to the vision and leadership offered by Professor Nolan to the University.

### 4. Conclusion

The University again managed its affairs well in 2019/20. We continue to manage our cost base in these difficult financial times. I acknowledge the improvements in public funding for higher education but much more needs to be done. Readers can be assured that the University remains focused on its core teaching and research activities, academic standards, the quality of the student experience and the implementation of its Strategic Plan 2018-22.

I wish to thank the staff in my office for their efforts in completing these Financial Statements in such a timely manner. I feel a great sense of pride in my staff and I am very grateful for their efforts.



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Dr Mike O'Malley  
Bursar

25 March 2021

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Date

## Statement of Responsibilities

The University is required to comply with the *Universities Act 1997*, and to keep in such form as may be approved of by An tÚdarás Um Ard-Oideachas, all proper and usual accounts of money received and expended by it. In preparing those Accounts, the University is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the Financial Statements on the going concern basis unless that basis is inappropriate and
- follow applicable accounting standards, subject to any material departures being disclosed and explained in the Financial Statements.

The University is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time, the Financial Position of the University and which enable it to ensure that its Financial Statements comply with the *Universities Act 1997*, FRS102 and the related Statement of Recommended Practice (generally accepted accounting statements in Ireland and the UK). The University is also responsible for ensuring that the business of the University is conducted in a proper and regular manner and for safeguarding all assets under its operational control and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Governing Authority on 25<sup>th</sup> March 2021.



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Professor Philip Nolan  
President



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Dr Mike O'Malley  
Bursar

# Statement of Governance

## 1. Governance

Maynooth University is committed to operating best practice in all aspects of corporate governance. This summary describes the manner in which the University has applied the principles set out in the “*Code of Governance for Irish Universities 2019*” (the 2019 code) document agreed between the Irish Universities Association and the Higher Education Authority and adopted by the Governing Authority of Maynooth University in February 2019. This 2019 code brings the reporting on governance and internal control within Universities into line with the State Bodies Code 2016 to the maximum extent possible. The purpose of this Statement of Governance is to help the reader of the Financial Statements to better understand how the principles have been applied and to obtain a clearer understanding of the governance and legal structure of the University.

## 2. Budget Setting

The University operates a devolved budget control system where budgets for recurrent and capital purposes are allocated to individual budget holders who are expected to operate and deliver within that budget. There is a rigorous system of budget control, with regular analysis of variance against budget. In January every year, a staff planning exercise is run where department heads make the case for additional resources in their departments. At the same time, a sub-committee of University Executive chaired by the President estimates the additional income that will be earned by the University which leads to an overall capacity to hire additional resources. Decisions are then taken and a recruitment pipeline created. These additional resources are then budgeted for by Finance using assumptions about start dates, points on scale and offsetting savings in occasional pay. A review of actual income and expenditure against budget in both academic and non-academic departments is carried out on a regular basis by business partners in the Finance Office, and any material variances are communicated to the Bursar. Where necessary and appropriate, variances are then brought to the attention of the University Executive and governance structures of the University. In all cases, corrective action is taken to adjust budgets, reprofile spending, or target savings elsewhere to reach the overall budgetary targets of the University.

Budgets are prepared using systems data extracted by the Bursar’s Office and appropriate assumptions and forecasts. A working budget is adopted by the Governing Authority, usually in September before the commencement of the financial year. This working budget is then updated following the outcome of the Higher Education Authority Annual Recurrent Grant distribution process. A revised budget is presented to Governing Authority in February or April each year. The Bursar updates the Governing Authority on material variances from the budget at other meetings.

In 2019/2020 due to the impact of Covid-19 on the University finances, revised budgets for the current year and forecasts for the 2020/21 were presented to Governing Authority for review and approval in June 2020, September 2020, December 2020 (actual outturn for 2019/20 and updated budget for 2020/21) and March 2021 (C&AG audited outturn for 2019/20 and revised budget for 2020/21).

## 3. True and Fair View

The Governing Authority acknowledged that it is responsible for the preparation of the Annual Report in the format of Consolidated Financial Statements. The Governing Authority confirms that they consider that the Consolidated Financial Statements give a true and fair view of the University’s financial performance and its Financial Position as at the balance sheet date, 30<sup>th</sup> September 2020.

## 4. Review of Governing Authority Performance

A formal external review of the Governing Authority and its performance (including the performance of Committees of the Governing Authority) was commissioned from Crowe (formerly Crowe Horwath) in February 2018. The final report was accepted by the Governing Authority in December 2018. In its overall assessment of the Governing Authority, the consultants find that “the Governing Authority is well run and effectively managed”. The Sixth Governing Authority was established in late 2019 and will undertake an annual self-assessment of its effectiveness and that of its committees, as well as an external review of its performance mid-way through its term in 2022/23. The first self-assessment will be carried out between March and June 2021 by way of a questionnaire developed for that purpose.

## 5. Governing Authority

The Maynooth University Governing Authority is the main governance and decision-making entity within the University. Under the *Universities Act 1997* “the functions of a University shall be performed by, or on the direction of its governing authority” and “all acts and things done by a governing authority, or in the name of or on behalf of the University with the express or implied authority of the governing authority, shall be deemed to have been done by the University”. The Governing Authority is responsible for and is satisfied that the University is in compliance with statutory obligations applicable to the University as set out in legislation governing the establishment of the University or in other relevant legislation.

## Statement of Governance (continued)

The Fifth Governing Authority of Maynooth University went out of office on 29<sup>th</sup> October 2019 and was succeeded by the Sixth Governing Authority. The membership of the Sixth Governing Authority of Maynooth University is made up of 33 members and is as diverse and representative as possible consistent with the provisions of the *Universities Act 1997*. At time of writing, two vacancies exist on the Governing Authority, one member under Section 16(3)(a) and one member under Section 16(4)(a).

The membership is drawn from outside of the University (17 independent members) and inside the University (12 staff and four students). Under Section 34 of the *Universities Act 1997*, the Governing Authority shall approve the strategic plan of the University and ensure a copy of the Strategic Plan is sent to the Minister for Education and Skills and to the Higher Education Authority. A Strategic Plan covering the period 2018 to 2022 was presented by the President and was approved by the Governing Authority for publication in June 2018. The Plan was formally launched by the Minister of State for Higher Education in October 2018. The “*Maynooth University Strategic Plan 2018 – 2022*” can be accessed at [www.maynoothuniversity.ie](http://www.maynoothuniversity.ie) or is available by request to [Governing.Authority@mu.ie](mailto:Governing.Authority@mu.ie).

Maynooth University operates in accordance with the *Universities Act 1997* and the meetings of the Governing Authority are held in accordance with agreed Standing Orders (amended in March 2021). University Statutes were first adopted in 2000 and amended in 2006 and again amended in 2019 (Statute 6 ‘Academic Council’). Formally, the Governing Authority is responsible for the adoption of the University’s Strategic Plan, procedures in relation to quality, policies in relation to equality, the system of internal control, the fees to be charged to students, the approval of budgets, the adoption of Annual Financial Statements, the administration and control of property, the appointment of the President of the University and other functions imposed by legislation and the *Code of Governance for Irish Universities 2019*. It monitors the University by receiving a report for the President at each meeting in which the President outlines all significant happenings in the University and how the University is handling various issues. Separate papers are brought to the Governing Authority where actual decisions are requested of the Governing Authority. A ‘Schedule of Matters Reserved for Decision’ by the Governing Authority has been agreed.

The University Bursar and Secretary acts as Secretary of the Governing Authority.

The Governing Authority has established six standing Committees with written terms of reference and specified membership including independent members. The Audit and Risk Committee is discussed under 6 below. The other five Committees are detailed here.

The Maynooth University **Finance, Human Resources and Development Committee** has oversight responsibilities in the areas of operational planning and budgeting, fee structure, procurement, asset management, campus development, human resources and the use of the University seal. The Committee met twice during the year. The Committee was chaired by the President and the Bursar acted as Secretary to the Committee. At a meeting of Governing Authority held in December 2020, it was decided to appoint Ms Maura Moore as the independent Chairperson of the Finance, Human Resources and Development Committee.

The **Remuneration Committee** is required to meet when the President has a proposal for an approved departure from approved pay scales. The Remuneration Committee is chaired by the Chairperson of the Governing Authority. The Committee did not meet during the year.

The **Quality Committee** met on one occasion. during the year. The Committee was chaired by Dr Alison Fitzgerald, an academic staff representative other than Professor A & B on the Governing Authority and the Secretary was Dr Teresa Lee, Director of Quality. The Quality Committee has an oversight role in relation to the discharge of the University’s obligations for internal and external quality assurance and quality enhancement. This is a joint Committee with Academic Council.

The **Equality, Diversity, Inclusion and Interculturalism Committee** has oversight responsibilities in the areas of gender equality, other causes of inequality, counter-acting sources of discrimination, cultural issues and the issues surrounding staff and student diversity. It was chaired by Dr Seamus Taylor and the University Equality Officer, Sam Blanckensee, acted as Secretary to the Committee. The Committee met twice during the year. This is a joint Committee with Academic Council.

**Coiste na Gaeilge na hOllscoile** met twice during the year. The Coiste has oversight of the policies and procedures in place to promote the use of the Irish language on campus. It was chaired by An tOllamh Seán Ó Riain, and the Secretary was Dr Brian Mac Maghnúis, Oifigeach na Gaeilge. This is a joint Committee with Academic Council.

## Statement of Governance (continued)

### 6. Audit and Risk Committee meetings

The Maynooth University Audit and Risk Committee met on seven occasions during the year. It considers detailed reports together with recommendations for the improvement of the University's system of internal control and management's responses and implementation plans. The Committee reports directly to the Governing Authority and has the authority to call for any information from the Bursar's Office, the University Executive members, from internal and external auditors and others whom it considers necessary to discharge its responsibilities effectively.

The Bursar is not a member of the Committee. Ms Vivienne Murray, Administration Officer to Governing Authority, acts as Secretary to the Committee. Whilst other members of the University Executive may attend meetings of the Committee from time to time by invitation, they are not members of the Committee. Once a year, the Committee meets both the external auditors and internal auditors on their own for independent discussions about their audit work and any matters the auditors choose to raise in the absence of management personnel. During 2019/20, the Committee met with a senior representative from the Office of the Comptroller and Auditor General on two occasions. Table 1 below shows the attendance of members of the Committee at meetings.

Audit and Risk Committee Member	Number of Meetings Eligible to Attend	Number of Meetings Attended	Percentage Attendance
Ms Christine Moran (Chairperson)	7	7	100%
Mr Stewart Roche	7	7	100%
Ms Sheila Noonan	7	7	100%

Table 1. Attendance of members of the Audit and Risk Committee at meetings during 2019/20

Since the year-end, two additional appointments have been made to the Committee. Mr Paul O'Toole was nominated to be a member of the Governing Authority by the Minister in September 2020 and was appointed to the Audit and Risk Committee in December 2020 by the Governing Authority. Professor Fiona Lyddy was appointed to the Audit and Risk Committee by the Governing Authority in December 2020. Professor Lyddy is a senior member of academic staff within the University who does not hold any executive role.

### 7. Chairperson, Deputy Chairperson and President

Baroness Nuala O'Loan was the Chairperson of the Fifth Governing Authority and left office on 29<sup>th</sup> October 2019. Mr Peter Cassells was the Deputy Chairperson and he also left office on 29<sup>th</sup> October 2019. The newly established Sixth Governing Authority appointed Dr Mary Canning as independent Chairperson at its meeting of 16<sup>th</sup> December 2019. Mr Paul O'Toole was elected Deputy-Chairperson of the Governing Authority in February 2021. Professor Philip Nolan is the President of the University

The Maynooth University Academic Council is the academic authority of the University and draws its membership entirely from the academic staff, students and academic support services staff of the University. Its role is to oversee the teaching and research work of the University. The Academic Council met on six occasions during the year.

The principal academic and administrative officer of the University is the President. The President is required to "manage and direct the University in its academic, administrative, financial, personnel and other activities and for those purposes has such powers as are necessary or expedient". The President acts "subject to such policies as may be determined from time to time by the governing authority and shall be answerable to the governing authority for the efficient and effective management of the University and for the due performance of his or her functions" The President is therefore responsible to the Governing Authority for maintaining the efficiency and good order of the University, including academic, human resources and financial management as is prescribed under various sections of the *Universities Act 1997 - 2006*. The President can be summoned to appear before the Public Accounts Committee or other Committees of the Houses of the Oireachtas. Professor Philip Nolan took up office in August 2011 for a ten-year period. The President is supported by a University Executive team. The members of the University Executive at 30<sup>th</sup> September 2020 are set out in Table 2 below:

## Statement of Governance (continued)

Professor Philip Nolan	President
Professor Aidan Mulkeen	Vice-President Academic, Registrar and Deputy President
Professor Ray O'Neill	Vice-President for Research and Innovation
Dr Mark Maguire	Dean of Social Sciences
Professor Brian Donnellan	Dean of International Affairs and VP Enterprise Engagement
Professor Ronan Farrell	Dean of Science and Engineering
Professor Colin Graham	Dean of Arts, Celtic Studies and Philosophy
Dr Alison Hood	Dean of Teaching and Learning
Ms Rosaleen McCarthy	Director of Human Resources
Dr Mike O'Malley	Bursar and Secretary
Ms Elizabeth Dunne	Vice-President Estates and Capital Development
Dr Gemma Irvine	VP Equality and Diversity

*Table 2. Members of University Executive at 30/09/20*

The University Executive meets weekly to oversee the operations of the University and to review progress on specific aspects of the University Strategic Plan. University Executive receives reports on key performance and risk indicators and considers possible control issues brought to its attention by early warning mechanisms which are embedded within operational units (including faculties and departments). During 2019/20, the University Executive met on 49 occasions. From April to September 2020, Covid-19 issues were a standing item on the UE agenda.

### **8. Meetings and attendance at Governing Authority**

The Governing Authority met on five occasions during the year. The full membership of the Governing Authority and their attendance record at meetings during the year is set out in Table 3 below.

## Statement of Governance (continued)

	Governing Authority Member	Number of Meetings Eligible to Attend	Number of Meetings Attended	Percentage Attendance
<b>Chairperson (1)</b>	Dr Mary Canning	5	5	100%
<b>Ex Officio (3)</b>	Professor Philip Nolan Professor Aidan Mulkeen Dr Mike O'Malley	5 5 5	5 5 5	100% 100% 100%
<b>Members of academic staff who are Professors or Associate Professors (2)</b>	Professor Honor Fagan Professor Paul Moynagh	5 5	5 5	100% 100%
<b>Permanent or full-time members of academic staff other than Professors or Associate Professors (4)</b>	Dr Mercedes Carbayo-Abengózar Dr Alison Fitzgerald Dr David Malone Dr Seamus Taylor	5 5 5 5	5 5 5 5	100% 100% 100% 100%
<b>Permanent or full-time employees of the University who are not academic staff (2)</b>	Mr Paul Clear Ms Joan O'Riordan Bruton	5 5	5 5	100% 100%
<b>Elected officers of the Students' Union (3)</b>	Ms Katie Deegan Mr Ciaran Watts (2 <sup>nd</sup> term) Mr Michael Butler Mr Julian Nagi (replaced Michael Butler in Sept 2020) Ms Kelly Rennick (replaced Katie Deegan in Sept 2020)	4 5 4 1 1	4 5 3 1 1	100% 100% 75% 100% 100%
<b>Postgraduate student (1)</b>	Ms Rebecca Kavanagh	5	5	100%
<b>IBEC nominee (1)</b>	Ms Christine Moran	5	5	100%
<b>ICTU nominee (1)</b>	Ms Sheila Nunan	5	5	100%
<b>Chambers Ireland (1)</b>	Vacant			
<b>Nominees of the Trustees of St Patrick's College (3)</b>	Dr Dermot Lane Rev. Professor Michael Mullaney Ms Clare Ryan	5 5 5	5 5 4	100% 100% 80%
<b>Graduates of the University (3)</b>	Ms Geraldine Delaney Mr Peter Finnegan Dr Michael F. Ryan	5 5 5	4 5 4	80% 100% 80%
<b>Nominees of NUI Senate (2)</b>	Professor Marian Lyons Mr James Doorley	5 5	5 5	100% 100%
<b>Minister's nominees (3)</b>	Ms Maura Moore Mr Paul O' Toole Ms Darina Colhoun - appointed 16 <sup>th</sup> December 2020.	1 1	1 1	100% 100%
<b>Other external members (3)</b>	Vacant Vacant Vacant			

Table 3. Membership and attendees at Governing Authority meetings for 2019/20. Since the year-end two external members have been appointed to the Governing Authority, Ms Sarah Searson and Mr Eugene Magee. Mr Magee is re-joining the Governing Authority for a second term.

## Statement of Governance (continued)

### **9. Processes to Identify Organisational Risks and to Evaluate their Financial Implications**

A formal process is undertaken on a regular basis to identify, evaluate and mitigate risks. The process followed during 2019/20 was as follows: the Risk Register was reviewed and updated by a sub-committee of University Executive following appropriate consultation in the University, and the Risk Register was then presented to and reviewed by the Audit and Risk Committee before presentation to the Governing Authority in March 2020. The risk management process is overseen by the Audit and Risk Committee. The Secretary is the custodian of the Risk Register and monitors movements throughout the year. Any significant change in risk or new risk is brought to the attention of the University Executive, and, where appropriate, the Audit and Risk Committee and the Governing Authority. Procedures exist for the evaluation of the risks in significant business decisions. These include examining alternatives (including doing nothing), consideration of management of the project initiatives, gathering intelligence of the business partners involved, challenging the projections and recording and monitoring income and expenditure. The 2019 Risk Register was reviewed and updated during the year and finalised in November 2019. The risks are categorised into 16 different groupings to reflect the objectives of the Maynooth University Strategic Plan 2018-2022. Governance reviews have recommended that the University strengthen its risk management policy and processes, and the University Executive has undertaken to do so in 2021. Significant progress has been made throughout 2020 (for example, the ARC introduced a standing item on its agenda to do with risk and risk management; risk registers associated with capital projects were reviewed by ARC during the year; a resource was brought-in by the University to develop its governance policies, procedures and supporting documentation during the year and work is ongoing) with further improvements planned for 2021 (for example, adoption of a Risk Management policy, publication of an Enterprise Risk Register and development of a Signing Authority Policy).

A number of audits into the control of research expenditure have been carried out at the behest of the funding agencies. A register of such audits is presented to the Audit and Risk Committee and material issues are brought to their attention for information purposes.

University Executive meetings, as described above, address ongoing issues and the implementation of the objectives of the University Strategic Plan. Control issues emerging and changes in risk profile are addressed at these meetings. The meetings are minuted and the minutes are available to the Audit and Risk Committee and to the Internal Auditors.

Quality is of primary importance to the University and responsibility for this function is held by the Director of Strategy & Quality. Academic Departments are externally reviewed on a cyclical basis, normally on a seven-year cycle. Administration and support units follow a similar cycle. Findings are brought to the attention of the President. They also feed into the annual budget setting process if required. During the financial year 2018/19, the University was subject to CINTE Institutional Review under the auspices of QQI for the purpose of externally evaluating the quality assurance and quality enhancement processes of the University. The process included an extensive self-evaluation of quality and quality processes and a site visit from an independent external expert Review Panel. A report was issued by the Review Panel in July 2019, which commended the University for its strategy and the quality of its research, teaching and support activities, found the University to be compliant with European Standards and Guidelines for Quality Assurance, and made recommendations for enhancement. An action-plan in response to these recommendations was prepared by the University and noted by Governing Authority in September 2019. A further update on progress was received by Governing Authority in September 2020.

### **10. Value for Money**

Maynooth University has to the best of its knowledge and belief followed the guidelines in achieving value for money in public expenditure as set out in the Department of Public Expenditure and Reform Public Spending Code.

### **11. Review of the Statement on the System of Internal Controls (Comptroller and Auditor General)**

We confirm that the Statements on the System of Internal Controls was reviewed by the Comptroller and Auditor General and addressed in his report for presentation to the Houses of the Oireachtas.

### **12. Unaudited Financial Statements**

We confirm that the draft unaudited Financial Statements were submitted to the Comptroller and Auditor General for audit in December 2020.

### **13. Publication**

We confirm that Maynooth University submits the final agreed audited Financial Statements to the Department of Education and Skills within one month of completion for laying before the Houses of the Oireachtas. In addition, we confirm that Maynooth University publishes the Financial Statements on its own website within one month of completion of the audit.

## Statement of Governance (continued)

### 14. Submission to the HEA

We confirm that the Annual Financial Statements are submitted to the HEA within one month of completion.

### 15. Fees and Expenses

We confirm that any fees and/or expenses paid to members of the Governing Authority are in accordance with the guidelines from the Department of Finance and are presented in the University's Annual Report. The Chairperson receives remuneration of €20,520 per annum in accordance with Section 17(5) of the *Universities Act 1997*. This was the amount approved by the HEA in correspondence in January 2020. No expenses were paid to external members during the year in connection with the business of the Governing Authority.

The salary paid to the President for 2019/20 was €196,644 in accordance with a letter of sanction received in February 2011.

### 16. Consultants Costs (excluding architect and design team fees in relation to the delivery of capital projects)

A full analysis of consultants' costs is set out under Note 11, "Analysis of Total Expenditure" on page 40 of the Financial Statements. The total amount paid was €2.2m (2018/19-€2.2m).

### 17. Employee Benefits

A full analysis of staff costs and staff numbers is set out under Note 9 'Staff Costs' on page 39 of the Financial Statements.

The Governing Authority confirms that the University and its subsidiary companies comply with public pay guidelines, the salary scales for academic and administrative staff as approved by the Minister for Education and Skills, and the Framework for Departures from Approved Levels of Remuneration agreed with the Higher Education Authority, in accordance with Section 25 of the *Universities Act 1997*. The University was fully compliant with the public sector pay ceiling during the year. In relation to researcher salary scales, the University acknowledges that no Section 25 approved pay scales exist. The University Executive has, in respect of research staff, implemented a set of scales consistent with the approved academic scales and the researcher scales and research careers framework agreed across the seven universities by the Irish Universities Association, recognising that the Minister has not formally approved researcher salary scales. Nonetheless, these scales are used in budget-setting in research proposals and, on award of research funding, these scales are used to recruit and pay researchers. State research funding agencies such as the Higher Education Authority and Science Foundation Ireland recognise these scales for budget purposes. A small number of administrative staff receive remuneration for teaching over and above their primary salary. The teaching is carried out in the evenings, or the member of staff works additional hours to make up a full working week where such teaching takes place during normal working hours. The HEA approved these payments in November 2017.

### 18. Key Management Compensation

A full analysis of key management personnel having responsibility for planning, directing and controlling the activities of the University is included under Note 9 'Staff Costs' on page 39 of the Financial Statements.

### 19. Termination/ Severance payments and agreements

No severance payments have been made without a prior written request for approval from the Department of Education and Skills. During the year, one staff member was awarded discretionary added years and this was approved by the Department of Education and Skills. In addition, two staff terminations occurred by agreement between the University and the staff members concerned as part of legal settlements between the parties.

### 20. Travel and Subsistence

The total costs incurred by the University for travel and subsistence is set out under Note 11 'Analysis of Total Expenditure by Activity' on page 40 of the Financial Statements.

### 21. Hospitality and Entertainment

The total costs incurred by the University for hospitality and entertainment expenses is included under Note 11 'Analysis of Total Expenditure by Activity' on page 40 of the Financial Statements.

### 22. Legal Costs

The total costs incurred by the University for legal costs is included under Note 11 "Analysis of Total Expenditure by Activity" on page 40 of the Financial Statements.

# Statement on the System of Internal Controls

## 1. Governing Authority responsibility for the System of Internal Controls

The Governing Authority acknowledges its responsibility for the University's system of internal controls; covering all material controls including financial, operational and compliance controls and risk management systems, that support the achievement of the University's policies, aims and objectives, while safeguarding the public and other funds and assets for which the Governing Authority is responsible.

## 2. Reasonable Assurance against material loss

The system of internal controls manages rather than eliminates the risk of failure to achieve policies, aims and objectives or to conduct affairs in an orderly and legitimate manner. It can, therefore, only provide reasonable and not absolute assurance of effectiveness.

## 3. Key Control Procedures

### (i) Review of the Effectiveness of the System of Internal Controls

The Governing Authority has undertaken a review of the effectiveness of the system of internal controls. The Governing Authority review of the effectiveness of the system of internal controls is informed by the University's internal auditors, the work of the Audit and Risk Committee, the University Executive, and other assurance functions.

The internal auditors submit regular reports, which include an independent opinion on the adequacy and effectiveness of the University's system of internal controls, with recommendations for improvement. The Governing Authority review of the effectiveness of the system of internal controls is also informed by the work of the University Executive within the University, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the external auditors in their management letter and other reports. As a result of the overall review of the effectiveness of the system of internal controls, the Governing Authority, external audit, internal audit and the University Executive have identified no material weaknesses. ARC reviewed an Internal Audit Report (High Level Review of Key Financial Controls 2019/20) in January 2021 and expressed themselves satisfied with the management actions. The Governing Authority formally approved the review of internal controls on 26<sup>th</sup> March 2020 and 25<sup>th</sup> March 2021.

The key information systems in use at the University are the Student Records System, the General Ledger and Payments System, the Payroll System, the HR System, the funded Grants Applications System, the e-Learning System, the Library System, Email and the Financial Reporting System. These systems are managed by IT Services.

The following processes have been established by the Governing Authority for reviewing and evaluating the effectiveness of the system of internal controls:

- The Audit and Risk Committee has been established with terms of reference and an Audit Charter consistent with the governance guidelines laid down in the *Code of Governance for Irish Universities 2019*.
- During the year under review and up to the date of approving the Statement on the System of Internal Controls, the independent internal auditors, Mazars have presented the following reports to the Audit and Risk Committee:
  - *High Level Review of Key Financial Controls 2018-19 (January 2020)*
  - *Payroll Review (January 2020)*
  - *Governance Review (January 2020)*
  - *GDPR Review (September 2020)*
  - *Authentication Audit (September 2020)*
  - *Review of Maynooth Students Union and Funding and Financial Controls (September 2020)*
  - *Follow up on Previous Internal Audit Recommendations (December 2020)*
  - *High Level Review of Key Financial Controls and ICQ 2019-20 (January 2021)*
  - *Fraud Risk Management (March 2021)*
  - *Risk Management Review (March 2021)*
  - *Review of the Arrangements in Place with Fuzhou University China-Engineering College (March 2021)*
- Mazars and the Audit and Risk Committee have both expressed themselves satisfied with management responses and action plans, if implemented, to address all the risk areas identified. Management have confirmed that work is completed or ongoing in all areas in line with the documented management responses. The ARC has put in place processes for closer ongoing monitoring of management actions that have not been completed by their original due date.

## Statement on the System of Internal Controls (continued)

The Comptroller and Auditor General completed the external audit of the Consolidated Financial Statements for 2018/19 in March 2020. A 'management letter' was received by the University in April 2020 on completion of the audit for 2018/19. No material misstatement or error was reported. One instance of payroll fraud was reported in January 2020 which was documented in the 2018/19 management letter. A number of internal control findings were made including two which were classified as 'high' and required the Audit and Risk Committee to bring them to the attention of the Governing Authority. The report was presented to the Audit and Risk Committee during 2020. The Audit and Risk Committee expressed themselves satisfied with the management response and actions to address the weaknesses identified. Management have confirmed work is either completed or ongoing in relation to the findings.

The first 'high' level finding was the absence of a purchase order approval system. The POP system was piloted for a number of departments and suppliers in 2018/19 and was rolled out throughout the University in 2019/20. Over 45% of MU supplier expenditure (that will go through POP) is currently being processed through POP and from April 2021 a policy of 'No PO no Pay' is being implemented. Upon their review of the POP system in the interim audit the C&AG are satisfied with the level of progress made in the current year.

The second finding was in relation to information technology weaknesses, specifically: information systems and data security weaknesses; an inadequate business continuity and disaster recovery plan; and software issues in the student record system, ITS. The issues with the student record system were addressed during the year, and progress was made on security and disaster recovery. The specific actions taken by the University during 2019/20 include:

- A new password policy for all staff (extended to all students after the year-end)
- A secure authentication process ('Multi-Factor Authentication', MFA) for access to University systems was piloted for key users in Finance, HR, IT Services and members of University Executive, and then. MFA was rolled out for all staff remote access in January 2020.
- A limited Disaster Recovery Plan was put in place for recovery of key IT systems (HR and Payroll systems, Finance systems and the Student Records systems). The HR and Payroll system Disaster Recovery Plan was tested and worked satisfactory while the other systems Disaster Recovery Plans will be tested during 2021.
- MFA was introduced for access to the JD Edwards Finance System and reports produced from that system, the HR system and the Employee Self-Service system.
- Additional investment was made in the resilience infrastructure of the student records system.

Significant effort was expended during 2019/20 on allowing remote access to University systems during the Covid 19 pandemic including the provision of online learning for students. Remote exams were held in both summer and autumn 2020.

Since the year end, the Comptroller & Auditor General carried out audit field work in relation to the Statutory Audit of the Financial Statements for the year ended 30<sup>th</sup> September 2020. Preliminary audit fieldwork was carried out in November and December 2020. The final audit fieldwork took place in the period January to February 2021 and a draft management letter was received by the University in March 2021 based on the findings from the overall audit. The number of High rated items on his management letter was one – namely a failure to carry out an internal controls review within three months of the year end. This will be addressed in the coming year.

The Governing Authority is of the view that there is an ongoing process for identifying, evaluating and managing the University's significant risks to the achievement of strategy, policies, aims and objectives, that has been in place for the year ended 30<sup>th</sup> September 2020 and up to the date of approval of the Annual Financial Statements, and that it is regularly reviewed by the Governing Authority. No financially significant developments other than those disclosed in the Annual Financial Statements took place in the financial year to 30<sup>th</sup> September 2020.

### (ii) Breaches in Internal Control – Procurement

During 2019/20 the University incurred expenditure of €174k on goods and services where the procurement procedures employed did not comply with related rules and guidelines.

- (a) Instances identified as a result of self-review
  - €60k payments to a website development and support supplier. The University's plans to tender for these services, as part of larger review and restructuring of its website infrastructure, were delayed during 2020. This will be rectified during 2021.
- (b) Instances identified during audit of 2019/20 financial statements
  - €72k related to payments to an office solutions supplier, the majority of which related to maintenance of photocopying machines. The University tendered for this service during 2020 and while the process was delayed by the severe disruption brought about by the Covid-19 emergency, it is anticipated that this contract will be awarded in early 2021.

## Statement on the System of Internal Controls (continued)

(c) The University appointed a new supplier of bulk fuels from an Office of Government Procurement (OGP) framework agreement during 2021. The University spent €42k with its existing supplier in 2019/20 prior to adopting the OGP arrangement.

The University spent approximately €152k with a tax advisory service provider in 2019/20. The services provided relate primarily to specialist advice regarding the University's collaboration with a university in China in the development of a Maynooth International Engineering College and VAT advice on e-journals procured through funds provided for the Irish Research e-Library. The University conducted a tender for tax advisory services through an OGP framework agreement in 2018 but was unable to award a contract. A second tender process was initiated by the University directly in 2019 and a contract was awarded to the successful bidder after the year-end. The University intends to use the services of the previously contracted supplier where specific advice is required with respect to the China operation and IReL because the specialist knowledge and expertise which the supplier has developed in this area cannot easily be replicated.

In relation to the investigation of a matter reported to the University, a company with a track record in such investigations was appointed without recourse to a competitive process at a cost of €102k.

### (iii) Material Losses and Fraud

In December 2019, the University was defrauded of €6,200, through a targeted phishing incident, which resulted in the salary payment of a member of staff being directed to a bank account controlled by the perpetrator of the fraud

The internal audit report presented by Mazars to the University's Audit & Risk Committee (ARC) in January 2020, demonstrated that there is a documented protocol for existing employees to change their personal bank details through the HR Operations support team, either by re-submitting of the on-line personnel form, or by email verified by personal contact. However, the normal controls applicable to payroll bank changes were not followed in this instance. While the incident was isolated in nature and the fraud exposure was limited to the net pay of a single individual, we considered it prudent to further strengthen the controls around changes in bank account details for employees as recommended by the Internal Auditors.

### (iv) Review by the Audit and Risk Committee and the Governing Authority

The Governing Authority confirms that this Statement on the System of Internal Controls has been reviewed by the Audit and Risk Committee at its meeting held on 16<sup>th</sup> March 2021 and by the full Governing Authority at a meeting held on 25<sup>th</sup> March 2021 to ensure it accurately reflects the control system in operation during the period. Both the Audit and Risk Committee and the Governing Authority note that the internal auditors, Mazars, confirmed that there was nothing that they are aware of from their audit work that would contradict the Statement on the System of Internal Controls. The Audit and Risk Committee and the Governing Authority have relied on confirmations from management that the control system as described in the Financial Statements reflect the control system in operation in the University.

### (v) Appropriate Control Environment

The Governing Authority confirms that it has put in place an appropriate control environment to ensure that the University is managed and governed in a proper and regular manner. Amongst the controls implemented is a clearly defined organisation structure, appropriate checks and balances between management and governance, written policies and procedures including training on policies and procedures, a Risk Management Framework (albeit a work-in-progress), a robust internal audit process, regular review of operations by the University Executive, regular reporting by the President to the Governing Authority and system and budget controls. The Audit and Risk Committee and the Governing Authority have relied on the results of external and internal audits, quality reviews, and confirmations from management that the control system as described in the Financial Statements reflect the control system in operation in the University.

### (vi) Process to identify business risk

A formal process is undertaken on a regular basis to identify, evaluate and mitigate risks. During 2019/20 the process followed was: the Risk Register was reviewed and updated by a sub-committee of University Executive following appropriate consultation in the University, and the Risk Register was then presented to and reviewed by the Audit and Risk Committee before presentation to the Governing Authority. The risk management process is overseen by the Audit and Risk Committee. The Secretary is the custodian of the Risk Register and monitors movements throughout the year. Any significant change in risk or new risk is brought to the attention of the University Executive, and where appropriate the Audit and Risk Committee and the Governing Authority. Procedures exist for the evaluation of the risks in significant business decisions. These include examining alternatives (including doing nothing), consideration of management of the project initiatives, gathering intelligence of the business partners involved, challenging the projections and recording and monitoring income and expenditure.

## Statement on the System of Internal Controls (continued)

The 2019 Risk Register was reviewed and updated during the year and finalised in November 2019. The risks are categorised into 16 different groupings to reflect the objectives of the Maynooth University Strategic Plan 2018-2022.

Governance reviews have recommended that the University further strengthen its risk management policy and processes, and the University Executive has undertaken to do so in 2021. Significant progress has been made throughout 2020 (for example, the ARC introduced a standing item on its agenda to do with risk and risk management; risk registers associated with capital projects were reviewed by ARC during the year; a resource was brought-in by the University to develop its governance policies, procedures and supporting documentation during the year and work is ongoing) with further improvements planned for 2021 (for example adoption of a Risk Management policy, publication of an Enterprise Risk Register and development of a Signing Authority Policy). During 2019/20, additional risk assessments were carried out including a risk assessment on proposed charter flights to bring international students to Ireland (rejected by MU following risk assessment) and risk assessments on various system investments to aid with remote working and online teaching (investments which were made by MU following risk assessments). During 2019/20 a rolling governance review carried out by Deloitte into HR and Payroll issues was considered by the ARC.

### 4. Confirmation of Review

The Governing Authority formally carried out a review of the effectiveness of internal controls on 26<sup>th</sup> March 2020 and 25<sup>th</sup> March 2021.

### 5. Weaknesses requiring disclosure

A review of the effectiveness of the System of Internal Controls was carried out by the Governing Authority at its meeting held on 26<sup>th</sup> March 2020. At this meeting, each disclosure made was highlighted by the Bursar as well as the basis on which it was made and the assurances on which the Governing Authority was relying on for each point. A further review was carried out at the Governing Authority meeting held on 25<sup>th</sup> March 2021 where the Bursar / Secretary again outlined the nature of the disclosures and the basis on which the assurances were given. On both occasions, the Governing Authority concluded that an effective system of internal controls was in operation in the University.

The only two 'high' level findings by the Comptroller and Auditor General were outlined under Note 3(i) above. In addition, 14 'medium' level findings were made by the Comptroller and Auditor General. These were brought to the attention of the Audit and Risk Committee on the 18<sup>th</sup> March 2020 and notified to the Governing Authority on 26<sup>th</sup> March 2020. The Audit and Risk Committee has expressed themselves satisfied with the management actions indicated to address the findings.

Of the 11 internal audit reviews presented during the year, Mazars provided the Audit and Risk Committee with a Reasonable level of assurance on seven of the reports. Of the four remaining audit reviews, the GDPR Review indicated only 'limited assurance' could be provided and Mazars did not provide a level of assurance on their Follow-up of Previous Audit Recommendations, Risk Management Review and Fraud Risk Management.

The University has made progress in addressing areas of weakness identified in previous audit reports. The Follow up Review (mentioned above) looked at 38 open items from previous reports including the Recruitment and Employments Contracts and the Cyber Security Review. Of the 38 areas reviewed, 12 are closed, 19 are partially implemented and seven are not implemented. A large proportion of those partial implemented/not implemented relate to Cyber Security. Even though significant progress has been made in this area, an additional follow up review will take place in 2021 to ensure these recommendations are fully actioned. There are no high-risk items that remain partially implemented or are not implemented.

Three high risk findings were made on Internal Audit Reviews which provided 'reasonable assurance'. In the 'Governance Review' the internal auditor found a number of areas in the Risk Management System that did not fully comply with the 2019 Code. This risk flows from the adoption of the *Code of Governance for Irish Universities 2019* which places a higher standard of governance and risk management on Universities than that required by the pre-existing 2012 Code. Maynooth University accepted the findings and there is now an ongoing project to address the areas of weakness identified in a GAP Analysis prepared by the Secretary and presented to the Audit and Risk Committee. Documents such as Letter of Appointment to Governing Authority, Letter of Appointment for Audit and Risk Committee, Matters Reserved for Decision of Governing Authority, Code of Conduct for Governing Authority members, a Quality Customer Service Charter, a Quality Customer Service Charter Implementation Plan and Standing Orders for Governing Authority and Committees of Governing Authority are being updated and will be sent to Governing Authority for approval. In the 'Payroll Review', a high-risk finding was made as a result of the fraud incident in December 2019 as detailed under paragraph 3(iv) of the Statement on the System of Internal Controls. As mentioned under paragraph 3(iv), additional action to strengthen controls has taken place.

## Statement on the System of Internal Controls (continued)

The final high-risk item, which is outlined in the High Level Review of Internal Controls and ICQ 2019- 20, related to a payroll processing error in December 2020 in which a number of occasional staff on manual timesheets were overpaid. The overpayments was due to the processing of a number of manual timesheets in both November and December.

The payroll team engaged quickly with the staff affected and 97% of the overpayment has been recovered at the time of writing and the balance will be recovered (in agreement with the occasional worker affected) in quarter 2 2021. Additional controls have been implemented and there is an ongoing project to migrate the remaining staff on manual timesheets to ESS (87% of timesheets go through an automated process which identifies duplicate payments). An analysis is also being carried out on the effect of the shorter processing month in December and whether this can be addressed.

The University continues to progress towards full compliance with the requirements of the Employment (Miscellaneous Provisions) Act. All occasional staff processed through the institution's on-line Occasional Staff Appointment Form (OSAF) process are issued with terms and conditions.

### 6. Weaknesses in Internal Control

In 2017/18, the Governing Authority felt it necessary to disclose a lack of a 'Disaster Recovery and Business Continuity Plan', and inadequate IT and data security systems as control weaknesses. The Governing Authority also disclosed incidents had occurred to highlight weaknesses in the student records system, the University website and email security. In response to the weaknesses identified, the University noted that it was in the process of a major re-organisation of its IT Services unit. The University had commissioned IBM consultants to assess the resilience of the systems. This consultancy had been completed and the urgent issues identified had been addressed. The Governing Authority had acknowledged that IT infrastructure and systems will require a significant investment over a number of years. Work on the most pressing items is being carried out in a phased manner. The Bursar / Secretary took over responsibility for IT Services on an interim basis during 2019. An acting Director of IT Services was hired in September 2019. Significant progress had been made on addressing the risks identified last year in the areas of Disaster Recovery and Business Continuity and IT and data security. The Audit and Risk Committee received an update on developments in the improvement programme in November 2020. Amongst the actions taken by Maynooth University were the development of policies in the areas of Information and Data Security Management, Patch Management and Password Management; the further implementation of Multi-Factor Authentication for access to University systems including the Finance System, the HR Management System, the Email System and the Student Records System; notifications on all emails received from third parties that the email originated outside of the University; scanning of all attachments to emails to check for embedded malware; implementation of Security Incident Event Management; the provision of further training on system security and phishing; and monthly communications to all staff on the protection of systems and data while working remotely and staff member responsibilities in this area. In addition, a monthly review at the IT Services management level of active projects together with a budget review of projects and a quarterly risk review of all projects has been implemented. The Governing Authority is of the view that the overall area of IT remains a significant risk for the University albeit a lower risk than in previous years.

A related but separate risk requiring disclosure is the whole area of GDPR. During the year, Maynooth University received an audit review report into GDPR from Mazars with an overall rating of 'limited assurance'. This required immediate disclosure to the Governing Authority and that disclosure was contained within the report of the Chairperson of the Audit and Risk Committee to Governing Authority at its meeting in September 2020. The University is preparing a plan to bring the compliance with GDPR and readiness to deal with possible breaches of GDPR into line with best practice in this area. Actions planned over the next 12 months include bringing our Data Privacy Impact Assessment policy up to date for sections 25 and 35 of GDPR; commence auditing University departments and units Records of Processing Activities; consideration of the resourcing required to facilitate the Data Protection Officer carry out her duties under articles 38 and 39 of GDPR; review all Data Processing and IT supplier contracts for compliance with GDPR; the provision of further training for all staff on GDPR; and the review and updating of the entire suite of policies in relation to GDPR. The Governing Authority is of the view that GDPR is a significant risk for the University.

The overall system of governance and internal control is well developed. However, one area where the policies and framework around how control is exercised that is in need of development is the whole area of Risk Management. The Governing Authority and Audit and Risk Committee have had training on Risk Management and their governance role in relation to this area. Training is required for members of University Executive and for others involved in the development of divisional risk registers. Risk Management at Maynooth University has become both a bottom-up process and a top-down process with a succinct Enterprise Risk Register developed and reported to both the Audit and Risk Committee and the Governing Authority. However, the overall framework of risk management lacks a risk appetite for each risk category and a formal risk incident reporting process. These matters will be worked on in 2021. The Governing Authority is of the view the area of risk management remains a significant risk for Maynooth University.

## Statement on the System of Internal Controls (continued)

### 7. Compliance with Procurement Legislation

The Governing Authority confirms that procurement procedures are in place and have been communicated to all budget holders. The procedures reflect EU directives, legislation and government policy as we understand them. The Governing Authority confirms that the University is using the services and frameworks of the Office of Government Procurement, and of the Education Procurement Service, whenever applicable.

### 8. Impact of Covid 19 on the Control Environment

Covid-19 has presented many challenges for the University, its staff and students. Management have sought to ensure that the strong control environment has been maintained despite staff working remotely during the period. Attempts have been made, and continue to be made, to ensure the maximum amount of on-campus learning opportunities are provided to students of the University during the pandemic. The academic staff of the University were required to pivot quickly into remote teaching in April 2020 and successfully closed out the academic year for students. Semester 1 of 2020/21 was planned with 'Level 2' restrictions in mind but quickly required revision, firstly to 'Level 3 plus' and then 'Level 5' and back again to 'Level 3 plus'. The University has shown itself to be nimble in the fast-changing circumstances in which it found itself. The UE have had a standing item at its meetings since March 2020 on the issue of Covid-19. A return-to-campus committee was established over the summer months and involved staff representatives in its work. A weekly meeting is held of a covid-19 task-force. In addition, as changes are announced to the national response (or local Kildare response) by the government meetings are held by key personnel in the University to ensure that the University is in compliance with the government announcement.

#### Financial Controls

Roles and responsibilities have remained the same throughout and there continues to be segregation of duties across all of the finance operations. Authorisation limits and payment thresholds were not changed. Sign-off and evidence of approval are now via electronic signature and/or email as opposed to manual sign-off pre-pandemic. A memorandum outlining the above was sent to the Finance team, all budget-holders and all departmental administrators on 3<sup>rd</sup> of April by the Bursar. The process around the posting and approval of journals has not changed as a result of the new working arrangements. Monthly balance sheet reconciliations continue to be performed in a timely manner. Strong controls remain in place regarding the changing of employee and supplier bank details.

#### Budgeting and Forecasting

Maynooth University has a robust budgeting and forecasting process and during the latter half of the year revised budgets and forecasts have been produced on a regular basis for internal and external parties including the HEA, IUA and the Governing Authority. Most recently updated budgets and cashflows for 2020/21 were presented to ARC and the Finance HR and Development Committee in December 2020 and March 2021. Expenditure in the business units is constantly monitored against budget to ensure there is not significant overspends. During 2019/20, it was apparent that departments and units were not incurring expenditure to match their budget. This was because of Covid-19 and an inability to travel to conferences and events, to incur hospitality and entertainment costs, to use laboratory consumables (the laboratories were closed) or to purchase equipment amongst other things. As a result, a significant portion of the budgets in departments and units were removed by the University and earmarked for the recovery from Covid-19. Heads of Department have been informed of the need to manage their expenditure in a prudent manner.

#### Risk Management

The 2019 Risk Register was updated in 2020 to reflect the risks associated with Covid-19. The Risk Register was presented to GA in March and June 2020 and Risk is a standing item on the ARC agenda. A summary of the actions carried out during the year was presented to Governing Authority in December 2020.

## Statement on the System of Internal Controls (continued)

### Information Technology

Significant investment was made in 2020 to upgrade the University network with additional capacity provided and greater resilience designed into the backup and recovery of data. In relation to IT security, Multi-Factor-Authentication (MFA) has been in place pre-Covid-19 for all off-campus access to Office365. MFA is now required for access to the Finance System, The HR System and the Student Records System. Encrypted Windows 10 laptop and desktop computers were provided to the vast majority of staff and their use made compulsory for certain staff including UE members, the Finance team, the HR team and other users of particularly sensitive data. The University purchased a software called Panopto to facilitate the broadcasting of live lectures through the University website. Some lecturing staff are using Microsoft Teams for smaller groups of students. Training and guidance has been offered to all staff in relation ICT security awareness and data protection while remote working and on the use of Teams and Panopto in communicating with students and external parties.

Signed on behalf of the Governing Authority on 25<sup>th</sup> March 2021.



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Dr Mary Canning  
Chairperson



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Professor Philip Nolan  
President



# Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

## Report for presentation to the Houses of the Oireachtas

### Maynooth University

#### Opinion on the financial statements

I have audited the financial statements of Maynooth University for the year ended 30 September 2020 as required under the provisions of the Universities Act 1997. The financial statements comprise

- the consolidated and University statement of comprehensive income and expenditure
- the consolidated and University statement of changes in reserves
- the consolidated and University statement of financial position
- the consolidated statement of cash flows and
- the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the University and of the University group at 30 September 2020 and of the income and expenditure of the University and of the University group for the year then ended in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

#### ***Emphasis of matter — deferred pension funding asset***

Without qualifying my opinion on the financial statements, I draw attention to note 21 which relates to retirement benefits accrued by current and former staff up to 30 September 2020.

The recognition of deferred pension funding assets in respect of the National University of Ireland Maynooth (Closed) Scheme 2009 (€419 million) and the Single Public Service Pension Scheme (€17 million) reflect statutory provisions relating to the funding of those schemes.

The recognition of a deferred pension funding asset of €141 million in respect of the National University of Ireland Maynooth Employee Superannuation Scheme 2007 anticipates that funding will be provided by the State to meet the related pension liabilities as they fall due. Inherent in this accounting treatment is an assumption that any income generated by the University will in the first instance be applied towards current expenses and that State funding will meet any shortfall in resources required to meet future pension liabilities.

#### ***Basis of opinion***

I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the University and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

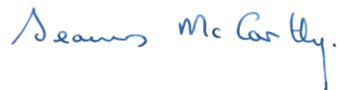
## Report of the C&AG (continued)

### Report on information other than the financial statements, and on other matters

The University has presented certain other information together with the financial statements. This comprises the report of the Bursar, the statement of responsibilities, the statement of governance and the statement on the system of internal controls.

My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.



**Seamus McCarthy**  
**Comptroller and Auditor General**

**29 March 2021**

## Appendix to the report

### Responsibilities of Governing Authority members

The members of the Governing Authority are responsible for

- the preparation of financial statements in the form prescribed under the Universities Act 1997
- ensuring that the financial statements give a true and fair view in accordance with FRS102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- 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.

### Responsibilities of the Comptroller and Auditor General

I am required under the Universities Act 1997 to audit the financial statements of the University and to report thereon to the Houses of the Oireachtas.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I 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 my 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.
- I 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 internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.

- I conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the University's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the University to cease to continue as a going concern.
- I 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.

I 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 I identify during my audit.

### Information other than the financial statements

My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, I am required under the ISAs to read the other information presented and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

### Reporting on other matters

My audit is conducted by reference to the special considerations which attach to bodies in receipt of substantial funding from the State in relation to their management and operation. I report if I identify material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them. I also report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the financial statements to be readily and properly audited, or
- the financial statements are not in agreement with the accounting records.

**Consolidated and University Statement of Comprehensive Income and Expenditure**  
**Year Ended 30th September 2020**

	Notes	2020		2019	
		Consolidated €000	University €000	Consolidated €000	University €000
<b>Income</b>					
State Grants - Recurrent	3	31,464	31,464	26,423	26,423
Student fees	4	80,106	80,106	73,540	73,540
Research grants and contracts	5	37,719	37,882	28,067	28,067
Amortisation of state deferred capital grant	14	2,931	2,931	2,975	2,975
Other income	6	11,841	11,812	13,260	13,106
Investment income	7	133	133	223	223
Donations		174	-	-	-
Net deferred funding for pensions	21	28,862	28,862	28,284	28,284
<b>Total income</b>		<b>193,230</b>	<b>193,190</b>	<b>172,772</b>	<b>172,618</b>
<b>Expenditure</b>					
Staff costs	9	111,920	111,920	101,670	101,535
Other operating expenses	11	59,733	59,717	51,520	51,398
Depreciation	12	8,256	8,256	8,580	8,580
Interest and other finance costs	10	6,439	6,439	11,069	11,069
<b>Total expenditure</b>		<b>186,348</b>	<b>186,332</b>	<b>172,839</b>	<b>172,582</b>
<b>Surplus/(Deficit) before other gains losses and share of operating surplus of joint ventures and associates</b>		<b>6,882</b>	<b>6,858</b>	<b>(67)</b>	<b>36</b>
Gain on disposal of fixed assets		50	50	2	2
(Loss)/Gain on revaluation of investment property	15	(250)	(250)	25	25
Share of operating (Loss)/ Surplus in joint venture	16	(235)	(235)	268	268
<b>Surplus before tax</b>		<b>6,447</b>	<b>6,423</b>	<b>228</b>	<b>331</b>
Taxation	8	(58)	(58)	-	-
<b>Surplus for the year</b>		<b>6,389</b>	<b>6,365</b>	<b>228</b>	<b>331</b>
Actuarial Gain/(Loss) in respect of pension schemes	21	18,422	18,422	(69,587)	(69,587)
Adjustment to Deferred Funding Pension	21	(18,422)	(18,422)	69,587	69,587
<b>Total comprehensive income for the year</b>		<b>6,389</b>	<b>6,365</b>	<b>228</b>	<b>331</b>
Represented by:					
Endowment comprehensive income for the year		-	-	-	-
Restricted comprehensive income for the year	23	(243)	(250)	29	25
Unrestricted comprehensive income for the year		6,632	6,615	199	306
		<b>6,389</b>	<b>6,365</b>	<b>228</b>	<b>331</b>
<b>Surplus for the year attributable to:</b>					
Non controlling interest		-	-	-	-
University		6,389	6,365	228	331

All items of income and expenditure relate to continuing activities.

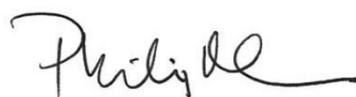
**Consolidated and University Statement of Changes in Reserves**  
Year ended 30 September 2020

Consolidated	Income and expenditure account			Total excluding non controlling interest	Non controlling interest	Total
	<i>Endowment</i> €000	<i>Restricted</i> €000	<i>Unrestricted</i> €000			
<b>Balance at 1 October 2018</b>	-	1,120	113,068	114,188	-	114,188
Surplus from the Statement of comprehensive income and expenditure	-	29	199	228	-	228
Release of restricted funds spent in year	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	29	199	228	-	228
<b>Balance at 1 October 2019</b>		1,149	113,267	114,416		114,416
Surplus from the Statement of comprehensive income and expenditure	-	282	6,632	6,914	-	6,914
Release of restricted funds spent in year	-	(525)	-	(525)	-	-
<b>Total comprehensive income for the year</b>		(243)	6,632	6,389	-	6,389
<b>Balance at 30 September 2020</b>	-	906	119,899	120,805	-	120,805
<b>University</b>	Income and expenditure account			Total excluding non controlling interest	Non controlling interest	Total
	<i>Endowment</i> €000	<i>Restricted</i> €000	<i>Unrestricted</i> €000			
<b>Balance at 1 October 2018</b>	-	1,090	112,862	113,952	-	113,952
Surplus from the Statement of comprehensive income and expenditure	-	25	306	331	-	331
Release of restricted funds spent in year	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	25	306	331	-	331
<b>Balance at 1 October 2019</b>	-	1,115	113,168	114,283	-	114,283
(Deficit) Surplus from the Statement of comprehensive income and expenditure	-	(358)	6,615	6,257	-	6,257
Release of restricted funds spent in year	-	108	-	108	-	-
<b>Total comprehensive (expenditure) income for the year</b>	-	(250)	6,615	6,365	-	6,365
<b>Balance at 30 September 2020</b>	-	865	119,783	120,648	-	120,648

**Consolidated and University Statement of Financial Position**  
**Year Ended 30th September 2020**

	Notes	2020		2019	
		Consolidated €000	University €000	Consolidated €000	University €000
<b>Non-current assets</b>					
Property Plant & Equipment	12	236,751	236,751	226,402	226,402
Heritage Assets	13	382	382	382	382
Investment Property	15	1,750	1,750	2,000	2,000
Investments	17	1	1	1	1
Investment in joint venture	16	-	-	485	485
		<u>238,884</u>	<u>238,884</u>	<u>229,270</u>	<u>229,270</u>
<b>Current assets</b>					
Trade and other receivables	18	28,453	28,505	17,236	17,292
Cash and cash equivalents	24	76,862	76,644	75,450	75,269
		<u>105,315</u>	<u>105,149</u>	<u>92,686</u>	<u>92,561</u>
Less: Creditors: amounts falling due within one year	19	(65,666)	(65,657)	(57,252)	(57,260)
		<u>39,649</u>	<u>39,492</u>	<u>35,434</u>	<u>35,301</u>
<b>Net current assets</b>		<u>39,649</u>	<u>39,492</u>	<u>35,434</u>	<u>35,301</u>
<b>Total assets less current liabilities</b>		<u>278,533</u>	<u>278,376</u>	<u>264,704</u>	<u>264,571</u>
Creditors: amounts falling due after more than one year	20	(68,753)	(68,753)	(72,615)	(72,615)
<b>Provisions</b>					
Pension provisions	21	(577,559)	(577,559)	(573,144)	(573,144)
Pension receivable		577,559	577,559	573,144	573,144
<b>Total net assets</b>		<u>209,780</u>	<u>209,623</u>	<u>192,089</u>	<u>191,956</u>
<b>State Capital Grant</b>	14	88,975	88,975	77,673	77,673
<b>Restricted Reserves</b>					
Income and expenditure reserve - restricted reserve	23	906	865	1,149	1,115
<b>Unrestricted Reserves</b>					
Income and expenditure reserve - unrestricted reserve		<u>119,899</u>	<u>119,783</u>	<u>113,267</u>	<u>113,168</u>
Total Income and Expenditure Reserve		<u>120,805</u>	<u>120,648</u>	<u>114,416</u>	<u>114,283</u>
<b>Total Reserves</b>		<u>209,780</u>	<u>209,623</u>	<u>192,089</u>	<u>191,956</u>

The Financial Statements on pages 28 to 52 were approved by the Governing Authority on 25th March 2021 and signed on its behalf by:



Professor Philip Nolan  
President



Dr. Mike O' Malley  
Bursar

## Consolidated Statement of Cash Flows

Year ended 30th September 2020

	Notes	2020 €000	2019 €000
<b>Cash flow from operating activities</b>			
Surplus/(Deficit) for the year before operating surplus of joint ventures and associates		6,882	(67)
<b>Adjustment for non-cash items</b>			
Depreciation	12	8,256	8,580
Deferred capital grants released to income	14	(2,931)	(2,975)
(Decrease)/Increase in receivables	18	(4,360)	1,575
Increase in creditors	19	8,342	2,918
Investment income receivable	7	(133)	(223)
Distribution from joint venture	16	250	-
Taxation Paid		(58)	-
Lease interest		53	
<b>Adjustment for investing or financing activities</b>			
Interest payable	10	<u>1,601</u>	<u>1,564</u>
<b>Net cash inflow from operating activities</b>		<u>17,902</u>	<u>11,372</u>
<b>Cash flows from investing activities</b>			
Capital grants receipts		7,376	1,671
Investment income	7	133	223
Payments made to acquire fixed assets		(18,408)	(7,059)
Proceeds from sale of fixed assets		<u>50</u>	<u>2</u>
<b>Net cash outflow from investing activities</b>		<u>(10,849)</u>	<u>(5,163)</u>
<b>Cash flows from financing activities</b>			
Interest paid	10	(1,601)	(1,564)
Lease repayment		(219)	-
Repayment of loan	20	<u>(3,821)</u>	<u>(2,536)</u>
<b>Net cash outflow from financing activities</b>		<u>(5,641)</u>	<u>(4,100)</u>
<b>Increase in cash and cash equivalents in the year</b>		<u><b>1,412</b></u>	<u><b>2,109</b></u>
<b>Cash and cash equivalents at beginning of the year</b>	24	75,450	73,341
<b>Cash and cash equivalents at end of the year</b>	24	<u>76,862</u>	<u>75,450</u>
<b>Movement in cash and cash equivalents</b>		<u><b>1,412</b></u>	<u><b>2,109</b></u>

### Net Debt Reconciliation

	01-Oct-19	Cashflows	Non Cash Changes	30-Sep-20
Cash	75,450	1,412		76,862
<u>Borrowings</u>				
EIB loan	(73,291)	3,821	-	(69,470)
Finance Lease	(3,219)	57	-	(3,162)
<b>Total Net Debt</b>	<u><b>(1,060)</b></u>	<u><b>5,290</b></u>		<u><b>4,230</b></u>

## Notes to the Financial Statements

Year ended 30th September 2020

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### 1 Significant Accounting Policies

The accounting policies which are considered material in relation to the financial statements are summarised below. They have all been applied consistently throughout the year and the preceding year.

#### A Basis of preparation and statement of compliance

##### Going Concern

The financial statements have been prepared on a going concern basis. The Governing Authority, having reviewed the budget and cashflow projections, are satisfied that the University has sufficient resources to continue in operation for at least 12 months from the signing of the financial statements. The University has developed the budget and modelled future cash flows in accordance with guidelines issued by the Higher Education Authority. Despite the Covid-19 global pandemic, the University generated a surplus of €6.3m in 2019/20. The surplus arose due to ongoing prudent financial management which will continue to 2020/21 and thereafter.

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) - Accounting for Further and Higher Education 2015 - (except that state capital grant deferred is recognised in reserves rather than within creditors) and in accordance with Financial Reporting Standard 102 (FRS102) issued by the Financial Reporting Council and promulgated for use in Ireland by Chartered Accountants Ireland.

#### B Basis of Consolidation

The Consolidated Financial Statements include the University and all its subsidiaries for the financial year to 30 September 2020. The results of subsidiaries acquired or disposed of during the period are included in the consolidated Statement of Comprehensive Income from the date of acquisition up to the date of disposal. Intra group balances are eliminated on consolidation.

The Consolidated Financial Statements do not include the income and expenditure of the Students' Union as the University does not exert control or dominant influence over policy decisions.

#### C Income Recognition

Investment income is credited to the statement of income and expenditure on a receivable basis.

Academic fees are recognised in the period to which they relate. Bursaries and scholarships are accounted for as a gross expenditure and not deducted from income.

##### *State Grant funding*

Grants from the Higher Education Authority (HEA) or other bodies are recognised based on the accrual model and are measured at the fair value received or receivable. Grants are classified as relating to either revenue or to assets. Recurrent and non recurrent grants relating to revenue are recognised as income over the period in which the related costs are recognised. Grants from the HEA or government bodies received in respect of the acquisition or construction of fixed assets are recognised over the expected useful life of the asset. Where part of the grant is deferred, it is recognised as deferred income. State Grants received for the purchase of land are recognised under the performance model in line with the SORP.

##### *Research Grants*

Income from research grants and contracts from non government sources are recognised on the performance model i.e. income is recognised to the extent that performance related conditions have been met. This is generally equivalent to the sum of the relevant expenditure incurred during the year and any related contributions towards overhead costs.

##### *Donations and Endowments*

Investment income and appreciation of endowments are recorded in income in the year in which they arise, and as either restricted or unrestricted income, according to the terms applied to the individual endowment fund. There are four main types of donations and endowments within reserves.

###### *1. Restricted donations*

The donor has specified that the donation must be used for a particular objective.

###### *2. Unrestricted permanent endowments*

The donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the University.

###### *3. Restricted expendable endowments*

The donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the University has the power to use the capital.

###### *4. Restricted permanent endowments*

The donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised in income when the University is entitled to the funds. Income is retained within restricted reserves until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

**1 Significant Accounting Policies - continued**

***D Accounting for Retirement Benefits***

The University operates three defined benefit pension schemes as detailed in Note 21. Pension costs are accounted for on the basis of charging the cost of providing pensions over the period during which the University benefits from the employees' services.

Amounts in respect of current and past service costs, returns on assets and the interest cost on the schemes liabilities, and actuarial gains and losses are calculated in accordance with FRS102, with equivalent amounts recognised on foot of the transfer arrangement in the Statement of Comprehensive Income. Contributions to the scheme represent a cost to the university and are charged to Statement of Comprehensive Income.

As further detailed in note 21, a deferred pension funding asset has been recognised equivalent to the University's pension liabilities.

***E Employment Benefits***

Short-term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the University. Any unused benefits are accrued and measured as the additional amount the University expects to pay as a result of the unused entitlement.

***F Finance Leases***

Leases in which the University assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance lease and the corresponding lease liabilities are initially recognised at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

***G Operating Leases***

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Any lease premiums or incentives are spread over the minimum lease term.

***H Foreign Currency***

Transactions denominated in foreign currencies are recorded using the average rate of exchange for the period. Monetary assets and liabilities denominated in foreign currencies are translated into euro either at the year end rates or, where there are related forward foreign exchange contracts, at contract rates. The resulting differences are dealt with in the Statement of Comprehensive Income for the year.

***I Taxation***

As an exempt charity, the University is not liable for Corporation Tax or Income Tax on any of its charitable activities. It is registered for Value Added Tax but since the supply of education is an exempt activity on which no output tax is charged, it is unable to recover input tax on the majority of its purchases.

Trading activities undertaken by the University are administered through its subsidiary companies, which as commercial organisations are liable to Corporation Tax. Innovation Value Services Limited which was incorporated in 2015/2016 and is a fully owned subsidiary of Maynooth University was a commercial trading entity and was not exempt from corporation tax. This company was entered into liquidation on 31st October 2019.

The University is liable for foreign corporation tax on income earned by Maynooth International Engineering College (MIEC) in China. The tax is calculated on the gross fee income and is based on Chinese tax rules.

***Deferred Taxation***

In subsidiary companies, which do not hold charitable status, deferred taxation is provided on all timing differences that have originated but not reversed at the year end date where transactions or events that result in an obligation to pay more tax in the future or right to pay less tax in the future have occurred at the year end.

Timing differences are temporary differences between profits as computed for taxation purposes and profits as stated in the financial statements which arise because certain items of income and expenditure in the financial statements are dealt with in different accounting periods for taxation

Deferred tax is measured at the tax rates that are expected to apply in the years when the timing differences are expected to reverse, based on the tax rates and laws that have been enacted or substantively enacted by the year end date. Deferred tax is not discounted.

## Notes to the Financial Statements - (continued)

Year ended 30th September 2020

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### 1 Significant Accounting Policies - continued

#### *J Tangible Fixed assets*

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Certain items of fixed assets that had been revalued to fair value on or prior to the date of transition to FRS102, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

#### *Land and Buildings*

Land and buildings are measured using the cost model, however as part of the transitional arrangements per FRS102, the land has been revalued by €15.985m to €25m as at 1 October 2014. This is the deemed cost going forward.

Costs incurred in relation to land and buildings after initial purchase or construction, and prior to valuation, are capitalised to the extent that they increase the expected future benefits to the University.

Depreciation is provided on all tangible fixed assets other than investment properties and freehold land, at rates calculated to write off the cost less residual value, of each asset on a straight-line basis over its expected useful life as follows:

Buildings and Infrastructure	10 to 50 years
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Leasehold land is not depreciated as it has an infinite useful life

No depreciation is charged on assets in the course of construction

#### *Equipment*

Equipment, including computers and software, costing less than €10,000 per individual item is recognised as expenditure. All other equipment is capitalised at cost.

Capitalised equipment is stated at cost and depreciated over its expected useful life as follows:

Computer Equipment	3 years
Fixtures and Fittings	5 to 10 years
Other Equipment	5 years
Motor Vehicles	5 years
Works of Art	Not depreciated

Depreciation methods, useful lives and residual values are reviewed at the date of preparation of each Statement of Financial Position.

Where equipment is acquired with the aid of specific state grants it is capitalised and depreciated in accordance with the above policy, with the related grant being credited to deferred capital grant account and released to Statement of Comprehensive Income over the expected useful life of the related commitment.

#### *Heritage Assets*

The University holds two collections of heritage assets, which are accounted for as follows:

##### Works of Art:

This includes a collection of paintings and sculptures. They are reported in the Statement of Financial Position at cost. The Works of Art have indefinite lives and hence are not depreciated.

##### Library Collections:

The University holds a number of library collections, which are of national, historic, cultural and literary interest. Acquisitions are made by purchase or donation. Purchased collections are recognised at cost in the Statement of Financial Position. Valuations for donated collections cannot reasonably be obtained and hence are not recognised in the Statement of Financial Position.

#### *K Borrowing Costs*

Borrowing costs are recognised as expenditure in the period in which they are incurred.

## Notes to the Financial Statements - (continued)

Year ended 30th September 2020

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### 1 Significant Accounting Policies - continued

#### *L Investment Properties*

Investment property is land and buildings held for rental income or capital appreciation rather than for use in delivering services. Investment properties are measured initially at cost and subsequently at fair value with movements recognised in the Statement of Comprehensive Income. Investment properties are revalued annually by independent professional third party valuers and are not depreciated or amortised.

#### *M Investments*

Investments in jointly controlled entities, associates and subsidiaries are carried at cost less impairment in the University's accounts. Current asset investments are held at fair value with movements recognised in the Statement of Comprehensive Income and Expenditure.

#### *N Cash and Cash Equivalents*

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### *O Financial Instruments*

Financial instruments, financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

##### Financial Assets

Basic financial assets, including trade and other receivables, cash and cash equivalents, short-term deposits and investments in corporate bonds, are initially recognised at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction, the resulting financial asset is initially measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument. Trade and other receivables, cash and cash equivalents, investments in corporate bonds and financial assets from arrangements which constitute financing transactions are subsequently measured at amortised cost using the effective interest method. At the end of each financial year, financial assets measured at amortised cost are assessed for objective evidence of impairment. If there is objective evidence that a financial asset measured at amortised cost is impaired, an impairment loss is recognised in the statement of comprehensive income. If, in a subsequent financial year, the amount of an impairment loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognised the previously recognised impairment loss is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment loss not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income. Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of ownership of the financial asset are transferred to another party or (c) control of the financial asset has been transferred to another party who has the practical ability to unilaterally sell the financial asset to an unrelated third party without imposing additional restrictions.

##### Financial Liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction, the resulting financial liability is initially measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Trade and other payables, bank loans, loans from fellow group companies, preference shares and financial liability from arrangements which constitute financing transactions are subsequently carried at amortised cost, using the effective interest method. Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as due within one year if payment is due within one year or less. If not, they are presented as falling due after more than one year. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

**Notes to the Financial Statements - (continued)**  
**Year ended 30th September 2020**

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***P Provisions, Contingent Liabilities and Contingent Assets***

Provisions are recognised in the financial statements when:

- the University has a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects risks.

***Q Accounting for Associates***

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. The results and assets and liabilities of associates are incorporated in the consolidated financial statements using the equity method of accounting.

***R Accounting for Joint Ventures***

The results and assets and liabilities of the joint venture are incorporated in the consolidated financial statements using the equity method of accounting.

***S Reserves***

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which, through endowment to the University, are held as a permanently restricted fund which the University must hold in perpetuity.

Other restricted reserves include balances where the donor has designated a specific purpose and therefore the University is restricted in the use of these funds.

**2 Critical accounting judgements and key sources of estimation uncertainty**

In preparation of the financial statements, the University is required to make judgements, estimates and assumptions that impact on the amounts reported as assets, liabilities, income and expenditure. Estimates and associated assumptions used are reviewed on an ongoing basis. The principal judgements, estimates and assumptions used in the financial statements are as follows:

**1. Property, Plant and Equipment**

Depreciation is calculated based on estimates and assumptions on the useful economic life and expected residual value of the asset.

**2. Investment property**

Investment property is measured at fair value. A revaluation of investment property is carried out annually by an independent professional valuer.

**3. Impairment**

Judgement is used to determine whether there has been any indication of impairment to University assets.

**4. Recoverability of debtors**

The provision for bad debt is calculated based on management's expectation on the recoverability of debt. In calculating the provision for bad debt, the following factors are considered: age profile of the debt, historical experience, current situation of the debtor and current market conditions.

**5. Employee Benefits**

The accrual for holiday leave earned but not taken is based on estimates of total holiday leave less holiday leave taken.

**6. Pension provisions**

The pension provision is calculated based on actuarial assumptions provided by an actuary annually. The actuarial assumptions include discount rates, salary increases, pension increases and inflation increases. The liability for pension supplementation (i.e. post retirement increases) is included within the actuarial assessed liability for each scheme.

The recognition of the part of the pension asset related to the National University of Ireland Maynooth (Closed) Scheme 2009 and the Single Public Service Pension Scheme reflects the statutory provisions for the funding of those schemes. The recognition of that part of the deferred pension asset related to the National University of Ireland Maynooth Employee Superannuation Scheme 2007 (Model Scheme) and Pension Supplementation anticipates that the State will continue to provide funding to meet retirement benefit liabilities as they fall due and assumes that any income generated by the University will in the first instance be applied towards current expenses and that State funding will meet any shortfall in resources to fund future retirement benefit liabilities.

**Notes to the Financial Statements - (continued)**  
Year ended 30th September 2020

3 State Grant	2020		2019	
	Consolidated	University	Consolidated	University
	€000	€000	€000	€000
<b>Recurrent grant</b>				
Higher Education Authority grant for recurrent purposes	31,464	31,464	26,423	26,423
	<u>31,464</u>	<u>31,464</u>	<u>26,423</u>	<u>26,423</u>

Grantor	Opening Accrual	Grant Received	Closing (Deferral)/Accrual	Amount taken
	1 Oct 2019	19/20	30 Sep 2020	To Income
	€000	€000	€000	€000
Higher Education Authority	(984)	33,644	(3,164)	31,464
	<u>(984)</u>	<u>33,644</u>	<u>(3,164)</u>	<u>31,464</u>

The closing amount of €3.164m is net of €4.893m deferral and €1.729m accrual. The €1.729m relates to an additional Covid-19 grant

4 Student Fees	2020		2019	
	Consolidated	University	Consolidated	University
	€000	€000	€000	€000
Undergraduate Fee Income	65,289	65,289	58,928	58,928
Postgraduate Fee Income	12,066	12,066	11,038	11,038
Miscellaneous Fee Income	997	997	1,896	1,896
Student Levy	1,754	1,754	1,678	1,678
	<u>80,106</u>	<u>80,106</u>	<u>73,540</u>	<u>73,540</u>

Grantor	Opening Deferral	Grant Received	Closing Deferral	Amount taken
	1 Oct 2019	19/20	30 Sep 2020	To Income
	€000	€000	€000	€000
Higher Education Authority	-	32,024	-	32,024
Student Universal Support Ireland	-	11,937	-	11,937
	<u>-</u>	<u>43,961</u>	<u>-</u>	<u>43,961</u>

5 Research Grants and Contracts	2020		2019	
	Consolidated	University	Consolidated	University
	€000	€000	€000	€000
State and Semi State	8,521	8,521	9,114	9,114
Irish Research e-Library	14,416	14,416	12,944	12,944
European Union	11,521	11,521	2,736	2,736
Industry and commerce	336	336	424	424
Other	655	818	466	466
Research Overhead	2,270	2,270	2,383	2,383
	<u>37,719</u>	<u>37,882</u>	<u>28,067</u>	<u>28,067</u>

Key Grantors	Opening (Accrual)	Grant Received	Closing (Accrual)	Amount taken
	Deferral	19/20	Deferral	To Income
	1 Oct 2019	€000	30 Sep 2020	€000
	€000	€000	€000	€000
Science Foundation Ireland	2,912	4,226	2,009	5,129
Department of Foreign Affairs	28	28	21	35
Department of Agriculture, Food and the Marine	3	414	(122)	539
Department of Environment, Climate & Communications	36	437	167	306
Department of Health	507	625	624	508
Department of Tourism, Culture, Arts, Gaeltacht, Sport & Media	-	17	7	10
Enterprise Ireland	(1,048)	1,341	(641)	934
Higher Education Authority	5,785	14,161	5,360	14,586
Irish Research Council	1,134	2,903	1,826	2,211
Department of Housing, Local Government & Heritage	84	190	65	209
Department of Rural and Community Development	5	16	-	21
Department of the Taoiseach	-	8	-	8
Department of Justice	14	32	14	32
Department of Children, Equality, Disability, Integration & Youth	-	7	2	5
Department of Education	-	-	1	(1)
	<u>9,460</u>	<u>24,405</u>	<u>9,333</u>	<u>24,532</u>

Notes to the Financial Statements - (continued)  
Year ended 30th September 2020

	2020		2019	
	Consolidated	University	Consolidated	University
	€000	€000	€000	€000
<b>6 Other Income</b>				
Residences	4,555	4,555	5,497	5,497
Rents and concessions	260	260	997	997
Other income	7,026	6,997	6,766	6,612
	<u>11,841</u>	<u>11,812</u>	<u>13,260</u>	<u>13,106</u>

The State element of other income is:

Grantor	Opening	Grant Received	Closing(Accrual/	
	Accrual/(Deferral)		Deferral	Amount taken
	1 Oct 2019	19/20	30 Sep 2020	To Income
	€000	€000	€000	€000
HEA	(1,694)	4,357	(2,315)	3,736
Enterprise Ireland	(75)	723	(139)	659
Department of Education	32	153	22	143
Department of Tourism, Culture, Arts, Gaeltacht, Sport & Media	196	448	29	281
Tulsa	-	160	(60)	100
	<u>(1,541)</u>	<u>5,841</u>	<u>(2,463)</u>	<u>4,919</u>

	2020		2019	
	Consolidated	University	Consolidated	University
	€000	€000	€000	€000
<b>7 Investment Income</b>				
Investment income	108	108	156	156
Interest receivable	25	25	67	67
	<u>133</u>	<u>133</u>	<u>223</u>	<u>223</u>

	2020		2019	
	Consolidated	University	Consolidated	University
	€000	€000	€000	€000
<b>8 Taxation</b>				
<b>Recognised in the statement of comprehensive income</b>				
<b>Current tax</b>				
Current foreign tax expense *	58	58	-	-
<b>Current tax expense</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

\* The current year tax expenses relates to tax paid on student fee income from the Maynooth International Education College (MIEC) in China.

**Notes to the Financial Statements - (continued)**  
**Year ended 30th September 2020**

	2020		2019	
	Consolidated €000	University €000	Consolidated €000	University €000
<b>9 Staff Costs</b>				
Salaries*	76,809	76,809	72,414	72,288
Social security costs	7,209	7,209	6,712	6,705
Employer Pension	3,878	3,878	3,765	3,763
Pension Service Cost FRS102	24,024	24,024	18,779	18,779
<b>Total</b>	<b>111,920</b>	<b>111,920</b>	<b>101,670</b>	<b>101,535</b>

\*Salaries include an amount of €0.071m for DES and DPER approved allowances (2019: €0.092m) and overtime €0.005m (2019: €0.011m).

Termination/Severance payments (including statutory redundancy) amounted to €0.888m (2019: €0.437m). In total 27 individuals received termination payments.

Termination/Severance payments (including statutory redundancy) with an aggregate value of in excess of €10,000 amounted to €0.826m (2019: €0.399m).

In respect of severance payments, there was one instance of a discretionary added years agreement entered into in the current year (prior year Nil). This was approved by the Department of Education and Skills. The individual was entitled to four and a half added years.

Remuneration of other higher paid staff, excluding employer's pension contributions

	2020 No.	2019 No.
€60,000 to €70,000	100	91
€70,001 to €80,000	72	67
€80,001 to €90,000	135	122
€90,001 to €100,000	89	86
€100,001 to €110,000	21	21
€110,001 to €120,000	29	36
€120,001 to €130,000	10	9
€130,001 to €140,000	11	7
€140,001 to €150,000	11	32
€150,001 to €160,000	22	1
€160,001 to €170,000	-	-
€170,001 to €180,000	1	1
€180,001 to €190,000	-	-
€190,001 to €200,000	1	1
	<b>502</b>	<b>474</b>

Staff numbers by major category :

	2020 No.	2019 No.
Teaching and Research	734	699
Technical	44	40
Central Administration and Services	417	397
Other	44	64
	<b>1,239</b>	<b>1,200</b>

**Key Management Personnel**

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University.

	2020 €000	2019 €000
Key management personnel compensation		
Salaries	2,045	1,805
Post-employment benefits	110	108
Termination benefits	-	-
	<b>2,155</b>	<b>1,913</b>

Included in the above is the salary of the President, total €0.197m (2019: €0.191m). The President is a member of the "Model Pension Scheme" and his entitlements in that regard do not extend beyond the terms of that scheme.

## Notes to the Financial Statements - (continued)

Year ended 30th September 2020

	Notes	2020		2019	
		Consolidated €000	University €000	Consolidated €000	University €000
<b>10 Interest and Other Finance Costs</b>					
Other bank interest and charges		408	408	316	316
EIB Loan Interest and charges	20	1,193	1,193	1,248	1,248
Pension Finance charges	21	4,838	4,838	9,505	9,505
		<u>6,439</u>	<u>6,439</u>	<u>11,069</u>	<u>11,069</u>

	2020		2019	
	Consolidated €000	University €000	Consolidated €000	University €000
<b>11 Analysis of Total Expenditure by Activity</b>				
Travel and subsistence - National	839	839	1,685	1,685
Travel and subsistence - International	564	564	1,154	1,154
Hospitality and entertainment	73	73	132	132
Consumables	2,195	2,195	2,672	2,672
Cleaning & Contract Security Costs	1,730	1,730	1,906	1,906
Advertising and PR Costs	781	781	1,266	1,266
Repairs and general maintenance	3,803	3,803	3,827	3,827
Utilities	1,792	1,792	2,038	2,038
Research library e-journals	14,167	14,167	12,960	12,960
Books and periodicals	1,411	1,411	1,614	1,614
Audit professional and consulting fees *	2,156	2,146	2,193	2,162
Legal costs	360	360	572	563
Rent rates and insurance	2,231	2,231	2,440	2,434
Capitation	1,793	1,793	1,844	1,844
Scholarships	6,652	6,652	6,074	6,074
Recruitment cost and Employee Related Costs	707	707	910	907
Student Related Costs	3,076	3,076	2,434	2,434
Equipment	4,727	4,727	3,561	3,559
Other expenses and charges	10,676	10,670	2,238	2,232
Release of provision for impairment of a financial asset	-	-	-	(65)
	<u>59,733</u>	<u>59,717</u>	<u>51,520</u>	<u>51,398</u>

*Other operating expenses include fees in respect of:*

Subsidiary auditors	7	14
External audit (Comptroller and Auditor General)	93	85
Internal audit-Mazars	89	57

*\*Consultancy costs by category*

Architects/Surveyors	28	68
IT design & Consultancy	316	390
Medical Professional Services	209	221
Human Resources	180	73
Translation/Transcription	9	23
PR & Marketing	60	36
Financial	218	183
Other	947	1,043
<b>Total audit professional and consulting fees</b>	<u>2,156</u>	<u>2,193</u>

The total amount of consultancy costs capitalised in the current year was €1.237m ( 2019: €1.921m).

## Notes to the Financial Statements - (continued)

Year ended 30th September 2020

### 12 Property Plant & Equipment

Consolidated	Freehold Land and Buildings	Fixtures, Fittings and Equipment	Assets in the Course of Construction	Total
	€000	€000	€000	€000
<b>Cost</b>				
At 1 October 2019	277,153	27,856	5,500	310,509
Additions	3,463	881	14,261	18,605
Disposals	-	(341)	-	(341)
<b>At 30 September 2020</b>	<b>280,616</b>	<b>28,396</b>	<b>19,761</b>	<b>328,773</b>
<b>Depreciation</b>				
At 1 October 2019	63,543	20,564	-	84,107
Charge for the year	5,478	2,778	-	8,256
Disposals	-	(341)	-	(341)
<b>At 30 September 2020</b>	<b>69,021</b>	<b>23,001</b>	<b>-</b>	<b>92,022</b>
<b>Net book value</b>				
<b>At 30 September 2020</b>	<b>211,595</b>	<b>5,395</b>	<b>19,761</b>	<b>236,751</b>
At 30 September 2019	213,610	7,292	5,500	226,402
<b>University</b>				
<b>Cost</b>				
At 1 October 2019	277,153	27,856	5,500	310,509
Additions	3,463	881	14,261	18,605
Disposals	-	(341)	-	(341)
<b>At 30 September 2020</b>	<b>280,616</b>	<b>28,396</b>	<b>19,761</b>	<b>328,773</b>
<b>Depreciation</b>				
At 1 October 2019	63,543	20,564	-	84,107
Charge for the year	5,478	2,778	-	8,256
Disposals	-	(341)	-	(341)
<b>At 30 September 2020</b>	<b>69,021</b>	<b>23,001</b>	<b>-</b>	<b>92,022</b>
<b>Net book value</b>				
<b>At 30 September 2020</b>	<b>211,595</b>	<b>5,395</b>	<b>19,761</b>	<b>236,751</b>
At 30 September 2019	213,610	7,292	5,500	226,402

At 30 September 2020, freehold land and buildings included €34.9m (2019: €31.8m) in respect of freehold land and a leased site valued at €3.2m (2019: €3.2m) which are not depreciated.

**Notes to the Financial Statements - (continued)**  
**Year ended 30th September 2020**

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**13 Heritage Assets**

The heritage assets of the University comprise Works of Art totalling €13,000, a library archive amounting to €70,000 and a historical document totalling €99,000. These are held at original cost and are not depreciated.

The library holds a number of special collections and archives of national, historic, cultural and literary interest, including limited and illustrated editions, autographed copies and manuscripts which are maintained to the highest possible standards and are available to be consulted on appointment. Valuations for donated collections cannot be reasonably obtained and hence they are not recognised in the Statement of Financial Position.

Acquisitions for the current and previous five years were as follows:

	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
	<b>€000</b>	<b>€000</b>	<b>€000</b>	<b>€000</b>	<b>€000</b>
<b>Cost</b>					
At 1 October	382	183	183	183	183
Additions	-	199	-	-	
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September	<u>382</u>	<u>382</u>	<u>183</u>	<u>183</u>	<u>183</u>

**Notes to the Financial Statements - (continued)**  
**Year ended 30th September 2020**

<b>14 Deferred Capital Grants</b>	<b>Consolidated</b>	<b>University</b>
	<b>€000</b>	<b>€000</b>
At 1 October 2019		
Buildings	74,831	74,831
Equipment	2,842	2,842
<b>Total</b>	<b>77,673</b>	<b>77,673</b>
Cash Received/Receivable		
Buildings	13,125	13,125
Equipment	1,108	1,108
<b>Total</b>	<b>14,233</b>	<b>14,233</b>
Released to SOCI		
Buildings	2,142	2,142
Equipment	789	789
<b>Total</b>	<b>2,931</b>	<b>2,931</b>
At 30 September 2020		
Buildings	85,814	85,814
Equipment	3,161	3,161
<b>Total</b>	<b>88,975</b>	<b>88,975</b>

**Deferred Capital Grants Consolidated and University Prior Year**

At 1 October 2018

Buildings	71,488	71,488
Equipment	2,461	2,461
<b>Total</b>	<b>73,949</b>	<b>73,949</b>
Cash Received/Receivable		
Buildings	5,487	5,487
Equipment	1,212	1,212
<b>Total</b>	<b>6,699</b>	<b>6,699</b>
Released to SOCI		
Buildings	2,144	2,144
Equipment	831	831
<b>Total</b>	<b>2,975</b>	<b>2,975</b>
At 30 September 2019		
Buildings	74,831	74,831
Equipment	2,842	2,842
<b>Total</b>	<b>77,673</b>	<b>77,673</b>

<b>Grantor</b>	<b>Opening Debtor 1 Oct 2019 €000</b>	<b>Grant Awarded €000</b>	<b>Grant Received €000</b>	<b>Closing Debtor 30 Sep 2020 €000</b>
HEA	5,374	13,584	7,003	11,955
Science Foundation Ireland	-	614	614	-
European Union	-	15	15	-
Sustainable Energy Authority	-	20	20	-
	<b>5,374</b>	<b>14,233</b>	<b>7,652</b>	<b>11,955</b>

## Notes to the Financial Statements - (continued)

Year ended 30th September 2020

### 15 Investment Property

Maynooth University acquired a portfolio of commercial units in Maynooth in December 2015 at a cost of €2.050m. In accordance with FRS102, the property is measured at fair value at each reporting date with changes in fair value recognised in the Statement of Comprehensive Income. The property was valued by Lavelle Chartered Surveyors Limited at 30 September 2020 with a valuation of €1.75m (2019: €2m). A revaluation loss of €0.25m has been booked to the Statement of Comprehensive Income in the current year.

There have been no other additions, disposals or impairments of the portfolio of properties. The rental income earned in the year amounted to €0.108m (2019: €0.156m).

### 16 Investment in Joint Venture

The University holds a 50% share of Maynooth Campus Conference Accommodation. This is a campus facility arrangement between Maynooth University and St. Patricks College, Maynooth, to utilise the resources of both institutions in providing conference and accommodation facilities. The arrangement is treated as a joint arrangement and is accounted for using the equity method, such that 50% of the company's gross assets and liabilities are incorporated into the consolidated statement of financial position of the University and 50% of its net income is reported in the University's statement of comprehensive income and expenditure. In 2019/20 MCCA incurred a loss and due to the uncertain trading environment Maynooth University and booked a provision against the profit share receivable.

	2020 €000	2019 €000
<b>Share of net assets at fair value</b>		
At the beginning of the year	485	217
Payments received during the year	(250)	-
Share of joint venture (Loss)/ surplus in the year	(113)	268
Provision against investment in JV	(122)	-
Closing balance	<u>-</u>	<u>485</u>

The total loss recognised in 2019/20 is 50% of the loss of MCCA and the provision against the remaining net assets, total €235k.

	Consolidated		University	
	2020	2019	2020	2019
	€000	€000	€000	€000
<b>17 Investments</b>				
Other Investments	1	1	1	1
	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

**Notes to the Financial Statements - (continued)**  
**Year ended 30th September 2020**

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**17 Investments - continued**

The University held an interest in the following subsidiary undertakings which have been fully consolidated.

<b>Subsidiary undertaking</b>	<b>Principal activity</b>	<b>Interest</b>
Innovation Value Services Limited *	To carry on all or any of the business of developing and commercialising intellectual property and providing consultancy, assessment, training and related services	100%
Maynooth University Foundation Limited	To seek donations for the funding of scholarships and other specific purposes	100%
Covac Company Limited by Guarantee **	Entrepreneurial and Training Services	100%

The registered office of all of the above companies is Maynooth University, Maynooth, Co Kildare.

\* The Directors of Innovation Value Services Ltd entered the company into a voluntary members liquidation on 31 October 2019.

\*\* Covac Company Limited By Guarantee was incorporated on 26 June 2018. The company has not traded and therefore no results or assets or liabilities have been included in the Consolidated Financial Statements. The company was on a 'strike off list' with the Companies Registration Office at 30 September 2020 and was dissolved on 17 February 2021

The University held an interest in the following associate undertakings and investments which have been recognised at cost which in all cases was nil.

<b>Associated undertaking</b>	<b>Principal activity</b>	<b>Registered Office</b>	<b>Interest</b>
IGeotech Technologies Ltd	Research	Block 8, Blackrock Business Park, Carysfort Avenue, Blackrock Co. Dublin	20%
Neuromod Devices Ltd	Research	The Digital Hub, Unit J, Digital Court, Rainsford Street, Dublin 8	2.46%
Relational Frame Training Ltd	Research	Suaimhnes, Blackwood, Robertstown, Naas, Co Kildare	18.9%
Avectas Ltd	Research	MaynoothWorks, Eolas Building, Maynooth University, Co.Kildare	0.56%
Geoerospace	Research	MaynoothWorks, Eolas Building, Maynooth University, Co. Kildare	15%

## Notes to the Financial Statements - (continued)

Year ended 30th September 2020

### 18 Trade and Other Receivables

	2020		2019	
	Consolidated	University	Consolidated	University
	€000	€000	€000	€000
<i>Amounts falling due within one year:</i>				
Research grants receivables	3,562	3,562	3,787	3,787
Accounts Receivable	2,490	2,490	2,574	2,565
Other receivables	1,799	1,740	848	848
Prepayments and accrued income	5,140	5,140	4,244	4,244
Staff House Loans	14	14	16	16
State Recurrent Grant-Covid 19	1,729	1,729	-	-
State Capital Grant Receivable	11,955	11,955	5,374	5,374
Academic Fees Receivable	196	196	393	393
Funded Pension	1,568	1,568	-	-
Amounts due from subsidiary undertakings	-	111	-	65
	<u>28,453</u>	<u>28,505</u>	<u>17,236</u>	<u>17,292</u>

The total amount outstanding on the loan from a subsidiary Innovation Value Services Ltd at 30 September 2020 is €0.068m(2019: €0.065m). This was received in December 2020.

The State Capital Grant Receivable of €1.955m (2019: €5.374m) is due from the Higher Education Authority in relation to a capital grants towards the construction of the Technology, Society and Innovation Project (€1.474m) and towards the purchase of capital equipment.

Included in Prepayments is an amount of €0.116m (2019: €0.174m) falling due after more than one year.

### 19 Creditors : amounts falling due within one year

	2020		2019	
	Consolidated	University	Consolidated	University
	€000	€000	€000	€000
Research Grants Unexpended in advance	18,254	18,254	16,239	16,239
Academic Fees Received in advance	15,849	15,849	16,557	16,557
Net Pension Liability	-	-	1,595	1,595
Trade Creditors	4,721	4,721	3,036	3,036
State Grant in advance	4,893	4,893	984	984
Other Creditors	1,112	1,112	1,230	1,230
Social security and other taxation payable	3,012	3,012	2,597	2,597
Accruals	5,877	5,872	3,785	3,774
Deferred Income	8,068	8,064	7,334	7,327
Unsecured loans due within one year	3,822	3,822	3,838	3,838
Lease liability due within one year	58	58	57	57
Amounts due to subsidiary Undertakings	-	-	-	26
	<u>65,666</u>	<u>65,657</u>	<u>57,252</u>	<u>57,260</u>

### 20 Creditors : amounts falling due after more than one year

	2020		2019	
	Consolidated	University	Consolidated	University
	€000	€000	€000	€000
Unsecured loans	65,648	65,648	69,454	69,454
Lease Liability	3,105	3,105	3,161	3,161
	<u>68,753</u>	<u>68,753</u>	<u>72,615</u>	<u>72,615</u>
<b>Total Unsecured bank loans repayable as follows:</b>	<b>72,575</b>	<b>72,575</b>	<b>76,453</b>	<b>76,453</b>
Due within 1 year	3,822	3,822	3,838	3,838
Due between two and five years	11,465	11,565	11,515	11,515
Due in five years or more	54,183	54,083	57,938	57,938
<b>Total unsecured loans</b>	<b>69,470</b>	<b>69,470</b>	<b>73,291</b>	<b>73,291</b>

## Notes to the Financial Statements - (continued)

Year ended 30th September 2020

### 20 Creditors : amounts falling due after more than one year (continued)

Maynooth University secured agreement with the European Investment bank to borrow €76.8m over twenty years to fund capital projects in the University. Of that, €50m was drawn down during the year 2015/16 and €26.8m was drawn down in 2016/17. The average interest rate on this loan is 1.584% and total interest and other charges incurred in the year totalled €1.193m (2019:€1.248m.)

### 21 Retirement Benefits

During the year the University operated three defined benefit pension schemes.

#### *National University of Ireland, Maynooth (Closed) Scheme 2009 – formerly known as the National University of Ireland, Maynooth Pension Plan – “Closed Scheme”*

The main scheme is National University of Ireland, Maynooth (Closed) Scheme 2009 (the Closed Scheme). The Closed Scheme applies to pensionable employees appointed prior to 31 January 2005 and is closed to new entrants. Up until 31 December 2009, the University funded the Closed Scheme which operated under a Trust Deed, the assets of which were held separately from those of the University. The *Financial Measures (Miscellaneous Provisions) Act, 2009* provided that the Oireachtas will make good any deficiency arising if the aggregate of members’ and employers’ contributions paid to or withheld by the University are insufficient to meet the University’s obligations to pay these benefits in accordance with the scheme. On 31 December 2009, in accordance with S.I. No. 528/2009 “Financial Measures (Miscellaneous Provisions) Act 2009 (National University of Ireland, Maynooth) Transfer Order 2009” the assets of the Closed Pension schemes were transferred to the National Pensions Reserve Fund and the existing Trust was terminated. There was no effect on the benefits payable to the members, they became members of a statutory unfunded scheme renamed “National University of Ireland (Closed) Scheme 2009”. The pension liability of this scheme in the Statement of Financial Position was €19.2m (2019: €428.6m).

#### *The National University of Ireland, Maynooth Employee Superannuation Scheme 2007 – “Model Scheme”*

The Model Scheme applies to all new staff appointed to posts first advertised between 29 November 2004 and appointed or in receipt of an offer of employment dated no later than 31 December 2012. This is a pay-as-you-go scheme funded through monies provided to the University by the State for that purpose. On the basis that the Oireachtas will make good any deficiency arising to meet the University’s obligations to pay pension benefits of the Closed Scheme and that future pension liabilities of the Model Scheme are funded on a pay-as-you-go basis through monies provided to the University by the State for that purpose, the pension liability of the Model Scheme has been offset by the recognition of an asset equivalent to the University’s pension liabilities. The pension liability of this scheme at the year end was €41.2m (2019: €31.6m).

#### *Single Public Service Pension Scheme*

The Single Scheme applies to all new staff who are joining the public sector as new entrants after 1 January 2013. It is entitled *Single Public Service Pension Scheme* and is a career average pension scheme. It is a defined benefit scheme and as such is included in the FRS 102 disclosure. All employee pension contributions for the Single scheme are paid on a monthly basis to a state pension account. Employer pension contributions are held as part of creditors pending payment to the state. The figures are not required to be included in the pension control account. On the basis that the Oireachtas will make good any deficiency arising to meet the University’s obligations to pay pension benefits of the Closed Scheme and that future pension liabilities of the Single Scheme are funded on a pay-as-you-go basis through monies provided to the University by the State for that purpose, the pension liability of the Single Scheme has been offset by the recognition of an asset equivalent to the University’s pension liabilities. The pension liability of the scheme at the year end was €7.2m (2019: €12.9m).

### Summary of position at year end

	2020	2019
	€000	€000
<b>Consolidated and University</b>		
Net Pension Liability	(577,559)	(573,144)
Pension receivable	577,559	573,144
	<u>-</u>	<u>-</u>

**Notes to the Financial Statements - (continued)**  
**Year ended 30th September 2020**

**21 Retirement Benefits - (continued)**

**Analysis of the amount charged to the Statement of Comprehensive Income and Expenditure**

	<b>2020</b>	<b>2019</b>
	<b>€000</b>	<b>€000</b>
<b>Staff costs</b>		
Current service cost	(27,902)	(22,537)
Total charge to operating expenses	<u>(27,902)</u>	<u>(22,537)</u>
<b>Other finance charges</b>		
Interest on pension scheme liabilities	(4,838)	(9,505)
Net finance charge	<u>(4,838)</u>	<u>(9,505)</u>
<b>Deferred Funding for Pensions in year</b>		
Funding recoverable in respect of current year pension costs	32,740	32,042
Contributions by employer payable to the State	(3,878)	(3,758)
Net Deferred Funding for Pensions in year	<u>28,862</u>	<u>28,284</u>

**Analysis of the amount charged to Statement of Comprehensive Income and Expenditure**

	<b>2020</b>	<b>2019</b>
	<b>€000</b>	<b>€000</b>
Experience (loss)/ gain	( 1,341)	2,558
Change in actuarial assumptions	19,763	(72,145)
Actuarial gain/(loss)	<u>18,422</u>	<u>(69,587)</u>

**Analysis of the movement in defined benefit obligation in the year**

Present value of defined benefit obligation at beginning of year	(573,144)	(478,727)
Current service cost	(27,902)	(22,537)
Interest Cost	(4,838)	(9,505)
Benefits Paid	9,903	7,212
Actuarial loss	18,422	(69,587)
Present value of defined benefit obligation at the end of year	<u>(577,559)</u>	<u>(573,144)</u>

**Notes to the Financial Statements - (continued)**  
**Year ended 30th September 2020**

**21 Retirement Benefits - (continued)**

The requirements of FRS 102 are fully adopted and the following movements are reflected in the financial statements.

The valuation of liabilities used for FRS102 Disclosures has been based on an actuarial valuation carried out by an independent professionally qualified actuary at the year end. The financial assumptions used to calculate the retirement liabilities in relation to the defined benefit pension schemes under FRS102 as at 30 September 2020 and 30 September 2019 and 30 September 2018 were as follows:

	<b>2020</b>	<b>2019</b>	<b>2018</b>
Rate of increase in Salaries	1.50%	1.50%	2.05%
Rate of increase in Pensions in payment	1.50%	1.50%	2.05%
Discount Rate for Scheme Liabilities	1.00%	0.85%	2.00%
Inflation Assumption	1.25%	1.25%	1.80%

The mortality rate adopted allows for improvements in life expectancy over time so that life expectancy at retirement will depend on the year in which a member attains retirement age (age 65). The table below shows the life expectancy for members attaining the age of 65.

	<b>2020 Years</b>	<b>2019 Years</b>	<b>2018 Years</b>
Male	88.5-90.7	88.3-90.6	88.2-90.5
Female	89.7-91.6	89.6-91.6	89.5-91.5

**History of experience gains and losses is as follows:**

	<b>2020 €000</b>	<b>2019 €000</b>	<b>2018 €000</b>	<b>2017 €000</b>	<b>2016 €000</b>
<i>Difference between the expected and actual return on scheme assets</i>					
Amount	-	-	-	-	-
Percentage of scheme assets	N/A	N/A	N/A	N/A	N/A
<i>Experience gains and losses on scheme liabilities</i>					
Amount	(1,341)	2,558	542	(11,481)	8,042
Percentage of scheme liabilities	.023%	0.45%	0.12%	-2.58%	1.77%
<i>Changes in Actuarial Assumptions</i>					
Amount	19,763	(72,145)	(10,432)	42,692	(87,560)
Percentage of scheme liabilities	3.40%	-12.60%	-2.30%	9.58%	-19.23%

**Notes to the Financial Statements - (continued)**  
**Year ended 30th September 2020**

**21 Retirement Benefits - (continued)**

	<b>2020</b>	<b>2019</b>
	<b>€000</b>	<b>€000</b>
<b>Analysis of Deferred Pension Funding Asset</b>		
At beginning of year	573,144	478,727
Movement included in Staff costs	27,902	22,537
Movement included in Finance costs	4,838	9,505
Movement included in SOCI	(18,422)	69,587
Benefits Payable to the State	(9,903)	(7,212)
	<hr/>	<hr/>
At end of year	577,559	573,144
	<hr/> <hr/>	<hr/> <hr/>

**22 Related Parties**

Transactions with subsidiaries of the University have been eliminated on consolidation and no disclosure of these transactions has therefore been given. The University has the following related party transaction:

Maynooth Campus Conference & Accommodation (MCCA) is a campus facility arrangement between Maynooth University and St. Patrick's College, Maynooth to utilise the resources of both institutions in providing conference and accommodation facilities. The balance due to the University in relation to the profit share at 30 September 2020 was €0.122m (2019: €0.485m). Given the losses in MCCA in the current year 2019/20 and the uncertain trading environment, MU has created a provision against the profit share receivable of €0.122m. The trade debtors balance at 30 September 2020 is €0.003m (2019 : €0.07m) and the trade creditors is €0.13m (2019: €0.18m). Payments for services provided by MCCA totalled €0.21m (2019: €0.45m) and payments received from MCCA for services provided by the University totalled €0.05m (2019: €0.28m).

## Notes to the Financial Statements - (continued)

Year ended 30th September 2020

### 23 Restricted Reserves

Reserves with restrictions are as follows:

	Unspent capital grants	Investment Income/Donations	2020 Total	2019 Total
	€000	€000	€000	€000
<b>Balances at 1 October 2019</b>	-	1,149	1,149	1,120
Investment income and donations	-	282	282	160
Capital grants utilised	-	-	-	-
Expenditure	-	(275)	(275)	(156)
(Decrease) Increase in market value of investments	-	(250)	(250)	25
<b>Total restricted comprehensive income for the year</b>	-	(243)	(243)	29
<b>At 30 September 2020</b>	-	906	906	1,149

### 24 Cash and Cash Equivalents

	1 Oct 2019	Cash flows	30 Sep 2020
	€000	€000	€000
Consolidated			
Cash and cash equivalents	75,450	1,412	76,862
	<b>75,450</b>	<b>1,412</b>	<b>76,862</b>

Included in the year end cash balances is an amount of €34.9m (2019: €40.9m) relating to the EIB loan. These funds will be spent on contracted and authorised capital projects as outlined in note 25 below.

### 25 Capital and Other Commitments

Provision has not been made for the following capital commitments at 30 September 2020:

	2020		2019	
	Consolidated	University	Consolidated	University
	€000	€000	€000	€000
Commitments Contracted for	42,095	42,095	51,530	51,530
Commitments Authorised not yet Contracted	16,424	16,424	21,271	21,271
	<b>58,519</b>	<b>58,519</b>	<b>72,801</b>	<b>72,801</b>

Contracted commitments include an amount of €38m for the Technology, Society and Innovation Project and €4m for a Sports and Community Engagement Project. A portion of the Technology, Science and Innovation Project is being funded by a €25m capital grant from the HEA.

Authorised commitments include an amount of €14.1m for a new Student Centre €2.2m for public realm landscaping and €0.05m for students residents design

**Notes to the Financial Statements - (continued)**  
**Year ended 30th September 2020**

**26 Contingent Liabilities**

	2020		2019	
	Consolidated €000	University €000	Consolidated €000	University €000
Guarantees	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The University has provided written undertakings to support Maynooth Campus Conference Accommodation (MCCA) , a joint venture with St.Patricks College Maynooth, for twelve months from the signing of MCCA's Financial Statements.

The University has no known material contingent liabilities at 30 September 2020 or 30 September 2019.

**27 Operating Lease Obligations**

Total rentals payable under operating leases:

	2020			2019	
	Land and Buildings €000	Plant and Machinery €000	Other leases €000	Total €000	Total €000
<b>Payable during the year</b>	1,348	4	-	1,352	1,424
<b>Future minimum lease payments due:</b>					
Not later than 1 year	1,348	3	-	1,351	1,352
Later than 1 year and not later than 5 years	854	-	-	854	930
Later than 5 years	6,191	-	-	6,191	6,368
<b>Total lease payments due</b>	<u>8,393</u>	<u>3</u>	<u>-</u>	<u>8,396</u>	<u>8,650</u>

**28 Events After The Reporting Period**

Due to the increased prevalence of COVID-19 infection rates , Level 5+ restrictions were imposed in December 2020. This has resulted the effective closure of the University campus with minimal face to face teaching. Additional costs have been incurred and the ancillary income of the University has been adversely impacted. Despite this ,the Governing Authority have reviewed the latest cashflow and budget projections and is satisfied that the University will have adequate resources to continue in business for at least 12 months from the date of the signing of the Financial Statements. For this reason, they continue to adopt the 'going concern' basis for the preparation of the Financial Statements.

There were no other significant events since the year end which would have implications for these Financial Statements.

Elements of Capital, Recurrent and Research expenditure reported in these Financial Statements have been funded under one or more programmes operated by the following funding bodies and agencies:



An Roinn Gnó, Fiontar agus Nuálaíochta  
Department of Business, Enterprise and Innovation



AN ROINN | DEPARTMENT OF  
OIDEACHAIS | EDUCATION  
AGUS SCILEANNA | AND SKILLS



**Irish Aid**

An Roinn Gnóthaí Eachtracha agus Trádála  
Department of Foreign Affairs and Trade



European Research Council  
Established by the European Commission



An Roinn Talmhaíochta,  
Bia agus Mara  
Department of Agriculture,  
Food and the Marine



IRISH RESEARCH COUNCIL  
An Chomhairle um Thaighde in Éirinn



Foras na Mara  
Marine Institute

