Trinity College Dublin Annual Report 2004 – 2005

The University of Dublin, Trinity College



This, the first formal Annual Report published by Trinity College Dublin, covers the academic year 2004/05, together with the Financial Statements of the College for that period. The Report sets out the College's position and highlights our achievements during that year.

In introducing the Report, it is my pleasure to thank all the staff of the College, academic, administrative and support, for their part in our achievements – these could not have been attained without their unstinting and selfless support.

The first elected Board of the College completed its fouryear term in September 2005 and I would like to thank the members for their constant support and counsel.

The year 2004/05 was an exciting and important year in the long history of the College. It was a year in which major change was initiated, the full implementation of which will evolve over the coming years. Much has been achieved. These achievements occurred against a background of financial stringency and a concern about our ability to plan, in fiscal terms, for the levels of teaching and research which will secure the College's place among the top fifty universities in the world. Along with all universities in the sector the real reduction in government funding in recent years, together with increased costs arising from legislative requirements such as legislation concerning fixed-term work has put severe pressure on the College's finances. The long-term consequences arising from future pension liabilities is also a cause for concern.

Notwithstanding this, the College faces the future with confidence. The College is the first choice of the majority of high achieving students from the second level sector. The climate for support for research is promising and the College continues to contribute constructively to the life of the City of Dublin and the nation.

I would like to thank the Taoiseach, the Minister for Education and Science and the many Government Ministers whose support is greatly valued. The College is also indebted to the Board and Executive of the Trinity Foundation, the Higher Education Authority, Science Foundation Ireland, the Health Research Board and the many other agencies and individuals, public and private.

I invite you to read this Report and I hope that it will be of interest to all.

John Hegerty

John Hegarty Provost

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1. Introduction

The Academic Year 2004/05 was another very successful year for Trinity College:

- the College was the only university in the State to feature in the top 200 universities in the Times Higher Education Supplement's world university rankings, placed 87th;
- Trinity's researchers across all disciplines received international and national recognition for their achievements;
- Research funding increased to a record total of €61m;
- the College continued to attract the top achievers in the Leaving Certificate and equivalent examinations;
- a new academic structure was developed which was in place for the 2005/06 academic year;
- the highly successful BA Festival of Science was hosted in Trinity in September 2005;
- ten professorial appointments were made, three of which were to newly created Chairs;
- eleven new postgraduate programmes (at Doctoral, Masters and Diploma level) were introduced;
- 3,900 students were conferred with their degrees;
- over 30 intellectual property disclosures were made.

2. College Restructuring

A major initiative for the College during the academic year 2004/05 was the development of a new academic structure following an 'Agenda for Change', developed to ensure that the College's high standing as a research and teaching institution will be enhanced in the face of increasing external and internal pressures. At the end of Trinity Term 2005, an academic structure of five Faculties comprising 17 Schools and three Vice-Deaneries was established.

Faculty of Arts and Humanities

- School of Humanities and Histories
- School of Linguistic, Speech and Communication
 Studies
- Vice-Deanery, Faculty of Arts and Humanities

Faculty of Social and Human Sciences

- School of Social Science and Philosophy
- School of Social Work and Social Policy
- School of Business
- School of Psychology
- Vice-Deanery, Faculty of Social and Human Sciences

Faculty of Engineering & Systems Sciences

- School of Engineering
- School of Computer Science and Statistics

Faculty of Health Sciences

- School of Medicine
- School of Dental Science
- School of Nursing and Midwifery
- School of Pharmacy and Pharmaceutical Sciences

Faculty of Science

- School of Mathematics
- School of Natural Sciences
- School of Physics
- School of Chemistry
- School of Biochemistry and Immunology
- Vice-Deanery of Genetics and Microbiology

This academic structure will allow devolution which will enable academic units to:

- take charge of academic and resource planning and management;
- have accountability for educational and research outcomes;
- have a more direct connection to the central decision making processes of the College;
- benefit from deeper administrative support;
- release academics to focus on teaching and research;
- allow disciplines and Schools to grow and innovate through linking resources with activity;
- foster the emergence of new academic specializations;
- simplify decision making through devolved budgets.



The agreed structures were preceded by widespread consultation throughout the College community. Further elements of restructuring will continue in the coming year.

In addition, as a result of the first major review of the distribution of resources in the College, a new system, based on teaching and research criteria, was introduced. The new system, the Academic Resource Allocation Model (ARAM), is based on three fundamental principles, (equity, fairness and transparency), by which resources are distributed to encourage academic activity and achievement and to devolve decision-making to the greatest extent possible to academic units.

3. THES World University Rankings

Ranked eighty-seventh, Trinity College was the only university in the State to feature in the top two hundred universities in the 2004 Times Higher Education Supplement's world university rankings published in October 2004.

The THES university rankings list the world's top 200 universities measured on peer review, number of citations per faculty member, ratio of students to staff and the number of international students and staff. Trinity was also the only Irish university to feature in the THES world's top 100 science, engineering and information technology institutions.

4. Academic Matters

4.1 Student body

Representing every county in Ireland and more than 80 countries, the College's student population is diverse in nationality, social class and age.

In total, there were 15,264 registered students in 2004/05. Of these, 7% were from EU countries other than Ireland, 3% were from Northern Ireland, 3% were North or Central American, and 3% were from other parts of the world.

Other (3%)	
North and Central America (3%) -	
Europe (EU) (7%)	
Northern Ireland (3%)	
Republic of Ireland (84%)	

The College is committed to increasing the number of non-traditional students admitted to undergraduate programmes, including those from a socio-economically disadvantaged background, those with a disability and mature students. In 2004/05 the College made further progress in fulfilling the policy of reserving 15% of CAO quotas for non-traditional students when in 2004, 11% of all CAO places were filled by non-traditional students, up from 7% in 2003.

4.2 Admissions Statistics /Entrance Exhibitioners

In 2004, Trinity attracted a substantial proportion (12%) of first preference applications in the CAO system.

The College continues to attract the highest number of academically talented students. A total of 536 first-year students were awarded special 'Entrance Exhibition Awards'. The students receiving these awards each achieved 545 points or higher (more than 6 A2 grades) in their Leaving Certificate examination or equivalent second level examination. The students represented 280 schools from all 32 counties in Ireland as well as schools in England, Scotland, Wales, France and Sweden. Approximately 4% of more than 57,000 CAO applicants for degree courses attained this achievement: 25% of this talented group of students chose Trinity College to pursue their third level education.

4.3 Scholarships

Trinity Foundation and Non-Foundation Scholarships have long been a measure of academic achievement. Undergraduate students, at the end of their second year (or third year in the case of medical students), sit a special examination and only those who achieve first class honors are awarded a scholarship for a period of up to five years. In 2004/05, eighty students – a record number - were awarded these prestigious scholarships on Trinity Monday 2005.

Recipients of the scholarships were representative of all faculties: the Faculty of Arts (Humanities) (7); Faculty of Arts (Letters) (2); the Faculty of Business, Economic & Social Studies (10); the Faculty of Engineering & Systems Sciences (7); the Faculty of Health Sciences (18); the Faculty of Science (18); and Multi-Faculty courses (18).

4.4 The Curriculum – New undergraduate and postgraduate courses

The College responded to the development of new knowledge, new directions within disciplines and curricular innovation as well as to the changing needs of students and emerging opportunities by introducing the following postgraduate courses in 2004:



Degree

M.Sc./Ph.D in Neuroscience M.Phil in Literary Translation M.Sc. in Economic Science M.Sc. in Clinical Speech & Language Studies (Dysphagia) M.Sc./Ph.D in Molecular Medicine M.Sc. in Pharmaceutical Manufacturing Technology

Diploma

P.G. Dip. in Clinical Supervision (Psychology) P.G. Dip. in Clinical Speech & Language Studies (Dysphagia)

P.G. Dip. in Professional Nursing Studies

P.G. Dip. in Professional Midwifery Studies

P.G. Dip. in Molecular Medicine

The Broad Curriculum initiative, emphasised in the Strategic Plan 2003-08, continued successfully in 2004/05 and underwent a mid-term review as part of the funding agreement for the cross-faculty courses and postgraduate teaching studentships. This confirmed the College's success in embedding and reflecting, in its activities, the goals of the Broad Curriculum policy in respect of the qualities desirable in a Trinity graduate.

Trinity continued its engagement with the Bologna process through the use of the European Credit Transfer and Accumulation System (ECTS) in undergraduate degree programmes, the Diploma Supplement pilot project and the distribution of seed-funding grants to support Bologna-related initiatives in Departments and Schools.

4.5 Commencements, Firsts and Gold Medal Awards

A total of 3,900 degrees were conferred (2,795 primary degrees and 1,105 higher degrees) in 29 separate Commencement ceremonies in 2004.

Three hundred and forty students received first class honours at the degree examinations in 2005 and, of these, 50 were awarded Gold Medals.

Honorary conferring took place at the Commencement ceremonies on 17 December 2004 and 8 July 2005. At the Winter Commencements, Ms Judith Chavasse, Ms Evelyn Glennie, Ms Christina Noble, Professor John Sutton, Mr Michael Viney and Professor Ahmed H Zewail were honored. Recipients of honorary degrees at the Summer commencements were Mr Michael Bogdanov, Professor Alan Heeger, Profesor Cecilia Jarlskog, Mr John O'Conor, Professor Tim Shallice and Mr William Walsh.



Recipients of the Honorary Degrees in December 2004.

A special Honorary conferring took place during the BA Festival of Science in September 2005. Those who received an honorary degree were Lord Alec Broers, Ms Frances Cairncross, Professor Dianne Edwards, Brendan Parsons Earl of Rosse and Professor Robert Lord Winston.

4.6 Trinity Access Programmes

The Trinity Access Programmes (TAP) are a range of initiatives to counteract educational disadvantage. TAP has developed a range of post-entry supports in response to student experience. These include a variety of pre-university programmes, financial and personal support, extra tuition, a Writing Resource Centre, a Mathematics Help Room, the Studio (a learning resource centre), a supported accommodation scheme and end of term review workshops. TAP also works closely with other support services in the College including the Library, the Student Counselling Service, the Disability Service, the Health Service, the Accommodation Service and the College Tutorial Service.

TAP has five admissions initiatives, all of which are partfunded by the Higher Education Authority through the Strategic Initiatives Scheme:

4.6.1 Primary and Second-Level Programmes

The Second-Level Programme links TCD with 19 second-level schools in disadvantaged areas and seeks, through a variety of supports, to increase the number of students in these schools who progress to third level. The Primary Schools Programme involves two main initiatives: a Mathematics and Science Programme for sixth class students and 'Take the Lead' for fifth class students which aims to improve the individual efficacy of participating children and to increase educational involvement and understanding among their parents. There are 19 linked primary schools and 19 linked

secondary schools from which some 4,000 students participate in on-campus activities.

4.6.2 Foundation Course for Higher Education – Mature Students

This one-year foundation course had 25 students registered in 2004/05 of whom 23 successfully completed the course, obtaining a Certificate in Foundation Studies for Higher Education. Twenty two of these students progressed to undergraduate programmes in Trinity College while one student deferred a place at NUI Maynooth.

4.6.3 Foundation Course for Higher Education – Young Adults

In 2004/05 twenty five students registered on this course which caters for young adults (17–20 years old) who have academic promise but require an additional year of education to prepare for third-level. All of the 25 students successfully completed the course and 24 of them progressed to undergraduate programmes in Trinity and one student progressed to a college of further education.

4.6.4 Concession on Points

Students who are socio-economically disadvantaged and whose school is linked to TAP, or to an access programme at another university, or the DIT, are eligible for a concession on points for entry to an undergraduate degree programme. These students must satisfy the minimum matriculation requirements for entry to their course of choice. Graduates from the *Trinity Foundation Course – Young Adults* and students from TAP linked schools eligible for a concession on points may compete for places at other universities through a collaborative scheme called the Higher Education Access Route (HEAR). In 2004 a record number of students (86) entered College through this route.

4.6.5 Partnership Foundation Course

Three City of Dublin Vocational Education Committee (CDVEC) Colleges joined in partnership with Trinity College to develop and co-deliver a Foundation Course for access to a wide range of undergraduate courses. The CDVEC colleges involved are Pearse College, Plunket College and the Liberties College. The course ran on a pilot basis in 2004/05 and the CDVEC colleges, supported by TCD, successfully negotiated with the Further Education and Training Awards Council (FETAC) for accreditation within the National Qualifications Framework. Thirteen students from this scheme progressed to undergraduate courses in Trinity.



Recipients of the Provost's Teaching Awards in 2005.

4.7 Provost's Teaching Awards

The Provost's Teaching Awards are College's principal means of recognising those academic staff who have made an outstanding contribution in the pursuit of teaching excellence in TCD. Recipients of the 2005 awards were Dr Ciaran Brady, Department of Modern History, Ms. Helen Coughlan, Department of Social Studies, Dr Neville Cox, School of Law, and Ms Fiona Timmins, School of Nursing and Midwifery, all of whom were recognised for their dedication and commitment to teaching and learning excellence. In addition, Ms Ellen Rowley, Department of History of Art was presented with an Early Career Award for excellence in teaching.

4.8 Academic appointments

Ten appointments to Professorial Chairs were made in 2004/05.

Newly Established Chairs

AIB Professor of Childhood Research (Professor Sheila Greene)

Professor of Geriatric Medicine (Professor Rose Anne Kenny)

Professor of Obstetrics (Professor Deirdre Murphy)

Established Chairs

Joseph W Bigger Professor of Clinical Microbiology (Professor Thomas Rogers)

Professor of Psychiatry (Professor Michael Gill)

Professor of Pharmacology (Professor Marek Radomski)

ALL NUMBER OF STREET

Professor of Computer Science (Professor Khurshid Ahmad)

Personal Chair

Professor of International Macroeconomics (Professor Philip Lane)

SFI Research Professorships

SFI Research Professor of Computer Science (Professor William Harrison)

SFI Research Professor of Organic Chemistry (Professor Mathias Senge)

In addition, two Senior Lecturers and fifty four lecturers were appointed.

5. Quality

5.1 Higher Education Authority Review of Quality Assurance in Irish Universities

In 2004, the European University Association (EUA) carried out a quality review of universities in Ireland, including Trinity College. The review was commissioned jointly by the Higher Education Authority and the Irish Universities Quality Board with the agreement of the seven participating universities. It was undertaken by a team of international quality assurance experts, with the aim of improving quality management and promoting the universities' capacity for change.

The reviewers' report on Quality Assurance procedures at TCD noted that: "*Trinity College has an established brand name based on an international reputation for excellence, bold leadership with a vision for the future, institutional pride, and as attractor of the brightest students, offer*[s] *them a high degree of academic innovation and interdisciplinary courses*".

5.2 Academic Department Reviews

The first five-year cycle of academic departmental reviews concluded in December 2004 with the review of the Department of Civil, Structural and Environmental Engineering. In 2004, the University Council approved a seven-year second cycle of reviews to commence in 2005/06. However, arising from the implementation of the new College structures, the procedures for Academic Review will be revised during 2005/06 and it is envisaged that the new cycle of reviews will not commence until the 2006/07 academic year.

5.3 Service Department Reviews

Three of the College's service departments were reviewed during 2004/05: these were the Student Counselling Service, the Careers Advisory Service and the Student Disability Service.

6. BA Festival of Science 2005

One of the world's leading scientific meetings, the BA Festival of Science, was hosted by Trinity College from 5th to 10th September 2005.



Minister for Education and Science, Ms Mary Hanafin, T.D., at the launch of the BA Fesitval.

The BA Festival has been running since 1831, visiting a different city and university each year, by invitation. Ireland, and indeed Trinity College, has a long association with the BA. In 1835, it held its fifth meeting in Dublin under the Presidency of Provost Bartholomew Lloyd of Trinity. On this occasion, Sir William Rowan Hamilton presented his now renowned theory of conical refraction. Last held in Dublin in 1957, it was most appropriate that Dublin should again play host to the Festival in 2005. To mark the bicentenary of Hamilton's birth, the Irish government designated 2005 the Hamilton Year of Irish Science. In support of this celebration of science, the Irish Government also provided generous funding for the Festival.

The Festival's theme in 2005, was Setting the Agenda for Science.

Dublin city was alive with science when more than 10,000 people attended the Festival to enjoy public talks and debates, take part in hands-on activities, observe demonstrations, join in visits or field trips, meet scientists and generally have fun, based around science themes. Organised by the British Association for the



Advancement of Science (BA), in conjunction with the Dean of Science, Dr Joe Carroll and the Science Faculty and other College staff, the Festival consisted of an *Academic Programme*, a *Schools Programme* and a *BA Science in the City Programme*.

7. Research Activities

7.1 Strategic Research Themes

Under the College's Strategic Plan 2003-2008, four main research themes were identified:

- establishing and applying new knowledge in health sciences and health management;
- meeting the challenges of the Information Society;
- helping to develop public social policy and to understand the dynamics of globalisation;
- contributing to a deeper appreciation of culture and the creative arts in Ireland and the world.

Progress towards achieving these objectives during 2004/05 included a very successful international review of the Life Sciences, the creation of a promising new spin-off company, Opsona Therapeutics, the opening of the Trinity College Institute of Neuroscience and the Trinity Centre for Bioengineering. Building work commenced on the Naughton Institute, the future home of the Centre for Research on Adaptive Nanostructures and Nanodevices (CRANN), and planning started on the development of the Long Room Hub for Research in the Arts and Humanities areas.

7.2 Research Funding

In 2004/05, TCD was highly successful in securing funding for research activities. Income to support all research activities continues to grow reaching a level of €61m for the year, an increase of €8m over the previous year. The number of research accounts now stands at 1,451, an increase of 50 over the previous year.

Over the last number of years, there has been a shift in sources of research funds away from EU/foreign sources to Irish sources largely driven by Science Foundation Ireland and HEA-funded PRTLI initiatives. Research activity supported 1,399 employees in 2004/05, again 50 more than the previous year.

Source of Research Activity Funding Year ended 30 Sept 2005

Science Foundation Ireland	37 %
Enterprise Ireland/Bioresearch Ireland/PATS	8 %
Higher Education Authority	18 %
Commission of the European Communities	8 %
Others	29 %

In the context of increasing expenditure on research, full recovery of indirect costs is becoming increasingly important for the College.

7.3 Scholarship and Award Success for TCD's Researchers

Trinity staff members continued to excel in research achievements and received national and international distinction.

Professor Michael Coey, Department of Physics, was elected to membership of the US National Academy of Sciences in May 2005 as a foreign associate, in recognition of his distinguished and continuing achievements in original research. Professor Coey is the only Irish-based scientist to belong to the Academy.

The first Royal Irish Academy Gold Medal in the physical sciences was also awarded to Professor Coey, and the first Gold Medal in the Humanities was awarded to Professor John Dillon, Regius Professor of Greek.

In May 2005, Science Foundation Ireland (SFI) announced funding to be awarded to 29 Trinity research proposals under the Research Frontiers Programme 2005. TCD had a successful application to SFI's Walton Visitors scheme in 2004.

The Irish Research Council for Science, Engineering and Technology (IRCSET) granted funding to 19 Trinity Researchers under its Embark Initiative postgraduate research scholarship scheme.

Dr Joe Keane, a consultant in respiratory medicine in the Department of Clinical Medicine at St. James's Hospital Dublin, and Principal Investigator at the Institute of Molecular Medicine and Dublin Molecular Medicine Centre, received one of the first awards of the Health Research Board's (HRB) new Clinician Scientists Awards in May 2005.

Five Trinity staff members were elected to the Royal Irish Academy in 2005: Charles Dorman, Professor of Microbiology; John Fitzpatrick, Professor of Mechanical



and Manufacturing Engineering; John Horne, Professor of Modern European History; Dennis Kennedy, Samuel Beckett Professor of Drama and Theatre Studies; and Malcolm MacLachlan, Associate Professor of Psychology.

Professor Denis Weaire, Department of Physics, was awarded the premier award of the Royal Irish Academy, the Cunningham Medal. The highlight of his research was the discovery of the Weaire-Phelan structure: an ideal structure of equal-sized foam bubbles with the least possible surface area.

Dr Aoife McLysaght, Department of Genetics, was awarded a President of Ireland Young Researcher Award. She will be funded for a five-year period by Science Foundation Ireland for her research into gene gains, losses and relocation during vertebrate evolution.

8. Innovation and Industrial Collaboration

8.1 Spin-off activities

In early 2005, three leading TCD researchers in immunology – Professors Kingston Mills, Luke O'Neill and Dermot Kelleher combined to form a new campus company - Opsona Therapeutics Ltd. Under the management of its Chief Executive Officer, Dr Mark Heffernan, the company raised €6.4m in venture capital for the first round of its ambitious programme. This funding was supported by a combination of Irish, Swiss and US-based venture firms and by investment from Enterprise Ireland. Opsona negotiated a licence with TCD to carry out product development work in TCD's Biotechnology Institute and has options to licence discoveries already made in the laboratories of the founders, whose research has been supported by Science Foundation Ireland, the Health Research Board and the Higher Education Authority's PRTLI Programme.

Potential spin-off companies are offered an entrepreneurship programme run by Trinity's Research and Innovation Services (R&IS) and the opportunity to participate in the MBA Workout Programme organised in the TCD Enterprise Centre. This programme brings together knowledge-oriented entrepreneurs to work with experienced business managers taking the TCD MBA.

8.2 Intellectual Property

TCD's Research and Innovation Services (R&IS) have been continually developing and improving processes for identifying and capturing intellectual property (IP) in the College for possible commercialisation. Over 30 disclosures of new IP were made to R&IS in the academic year 2004/05. The College was able to support patenting of significant disclosures from a new Enterprise Ireland fund. This in turn will lead to more inlicensing opportunities for industry, more spin-offs and greater confidence that Ireland is moving rapidly into the knowledge-driven economy.

During 2005, the College Board adopted and updated an Intellectual Property Policy and associated regulations to keep the College in line with international best practice.

8.3 Entrepreneurship and Innovation

Trinity's work in fostering a culture of innovation has been supported by groups such as Fourth Level Ventures, Seroba, The Dublin Business Innovation Centre, and Growcorp, thus enabling the College to improve the capacity of entrepreneurs to secure seed and venture capital.

During 2005, a network entitled PANEL (Providing Access to Networking of Entrepreneurial Links) continued to provide packages on Early Stage Finance for entrepreneurs. The PANEL Dublin team, with expert contributions from Enterprise Ireland, designed a concept for a new portal explaining the Dublin Region's attractiveness for incoming entrepreneurs.

8.4 High Performance Computing

The Centre for Supercomputing in Ireland, (CSI) an allisland collaboration initiated by TCD in 1997, (funded by Atlantic Philanthropies), brought together the high-performance computing community from Trinity, Queen's University Belfast, Dublin Institute for Advanced Studies and NUI Galway. CSI's success prompted Science Foundation Ireland to provide funding for a National High End Computing Centre, involving seven higher education institutes which partners both Trinity's Higher Education Authority PRTLI-funded IITAC highperformance computing programme and the Cosmogrid project. The first phase of a national supercomputing facility, with equipment funded by Trinity's HEA's PRTLI IITAC programme, went live in July 2005. On installation in TCD, this was the largest IBM InfiniBand Cluster in Europe. As well as supporting a large programme of computational and modelling research in TCD and other institutions, this facility will be used by spin-off indigenous companies such as CREMe Software ltd, a risk analysis company established from TCD research in 2005, supported by EU and by Enterprise Ireland funding. Postgraduate students associated with CREMe Software won awards at the International Idea-2-Product competition in Austin, Texas in November 2005.



8.5 University and Industry Collaboration

Collaboration with other third level institutions in Dublin on intellectual property matters and policies and relationships with large multinationals are ongoing, facilitating the Dublin region's creation of significant and strategic inter-institutional linkages with leading industrial partners. The formation of the Centre for Research on Adaptive Nanostructure and Nanodevices (CRANN) and the Centre for Telecommunications Value-chain driven Research (CTVR), (two TCD-led consortia with Intel and Lucent respectively as partners), is indicative of the new and exciting opportunities for research work partnership with industry.

During 2005, TCD and UCD, together with DCU and IT Sligo, initiated a consortium to deliver a National Institute for BioProcess Research and Training (NIBRT), funded by IDA Ireland, with a mandate to deliver industrially relevant research and training for the biopharmaceutical sector.

New biotechnology incubators were built with grants from Enterprise Ireland at the Enterprise Centre, Pearse Street and at St James's Hospital.



9. Capital Development Programme

9.1 Completed Projects

During the course of the 2004/05, the College's capital development programme continued to flourish with a number of building projects reaching completion.

The School of Nursing and Midwifery at D'Olier Street was officially opened by the Minister of State at the Department of Health and Children, Mr Brian Lenihan, T.D. in September 2004. Funded by the Department of Health and Children at a cost of €16.7m, the refurbished Art Deco building contains lecture theatres, seminar and computer rooms and staff offices. It is complemented by state-of-theart clinical skills laboratories situated in the Trinity Centres at St. James's Hospital and in a planned new development in the Adelaide and Meath Hospital, Dublin Incorporating the National Children's Hospital at Tallaght.

A €9m purpose built, state-of-the-art facility at St. James's Hospital for the Schools of Occupational Therapy, Physiotherapy and Radiation Therapy was officially opened by Mr. Ivor Callely T.D., Minister of State at the Department of Health and Children, also in September 2004. The new facilities provide a unique opportunity for integrated education and research between all disciplines in the Faculty of Health Sciences in addition to helping students understand the importance of integrated patient care from the full range of medical/health science professionals. The new accommodation includes 3,500 sq.m. of specialized laboratories, seminar and lecture rooms and departmental accommodation.

The Lloyd Institute, named in honour of Provost Humphrey Lloyd, who held office from 1867 to 1881, is located at the north east of the campus and contains 9,000 sq.m. of space for the Departments of Computer Science, Statistics, High Performance Computing and the Institute of Neuroscience. Completed at the end of 2004 at a cost of some €36m, the building came into full operation from October 2005, adding considerably to the teaching and research space available to these disciplines.

The 1,100 sq.m. building to house the Trinity Centre for Bioengineering was opened by the Minister for Education and Science, Ms Mary Hanafin, T.D. in May 2005. The researchers based in the Centre will search for solutions to emerging bio-mechanics problems in medical device technologies. This is part of a major research and development investment by the College, in partnership with the Government, funded under the HEA's Programme for Research in Third Level Institutions (PRTLI) Cycle 3. The Centre cost €5.2m.

The Trinity College Institute of Neuroscience is Ireland's first purpose-built Research Institute to advance the frontiers of neuroscience, where the basic science of the brain is explored through bridging traditional crossdiscipline boundaries. Located in the new Lloyd Institute, it has 3,500 sq.m. of dedicated neuroscience research accommodation and planned interactive space. It houses the human 3-Tesla MRI suite and high-field small bore imaging, together with clinical testing and evaluation suites. Opened by the Tanáiste, Ms Mary Harney, T.D. in July 2005, the Institute also contains a 150-seat lecture theatre, EEG, ERP and human neuropsychological testing suites and a



number of wet laboratories focusing on neurobiology, neuroinflammation, synaptic plasticity and behaviour. The work in these laboratories employs procedures such as *in vivo* electrophysiology, cell culture and other techniques relevant to the study of the neural system.

9.2 Construction Projects Underway

Following a long period of planning and preparatory work, construction work began in February 2005 on one of the largest, and probably the most complex, building projects undertaken by the College to date.

The project, costing €56m, comprises two elements – the Naughton Institute and the Sports Complex.

9.2.1 Naughton Institute

Ireland's first purpose-built nanoscience research institute, to be known as The Naughton Institute in recognition of a generous donation from Dr Martin Naughton, Chairman of the Glen Dimplex Group, will house 150 scientists, technicians and graduate students in a state of the art facility and provide them with the tools required to explore the world of nanoscience.

This will house the Centre for Research on Adaptive Nanostructures and Nanodevices (CRANN). Science Foundation Ireland has committed €21m to the project to date, with almost €10m being used to fund research activity and €11m for the construction of specialized vibration-free laboratory facilities. Projected to cost €29m and to be completed by the end of 2006, researchers and scientists at the Institute will be able to develop apparatus and techniques to build new structures and devices atom by atom, with wide-ranging possibilities for biotechnology, information and communications technologies.

9.2.2 Sports Complex

The new Sports Complex will contain 6,500 sq.m. of space, housing a 25m, six-lane swimming pool with adjoining sauna and steam room. The pool will have a floating floor which will allow the depth in the pool to be adjusted to cater for a wide range of activities from beginners lessons to scuba training and water polo.

Other facilities will include two major Sports Halls, a Fitness Theatre, an Aerobics Studio, accommodation for

Sports Clubs, and spaces for reflexology and other holistic treatments. The building will have high quality changing areas for wet and dry sports. A striking element of the building will be a spectacular climbing wall which will be visible for almost the entire height of the building from Westland Row. This will be an iconic building at a major city centre junction

10. Fundraising

Trinity Foundation raises funds to support the development of Trinity College Dublin, playing a vital role in ensuring that the College has the resources to remain a leading, internationally recognised university. In the five years ending 30 September, 2005, Trinity Foundation was instrumental in raising just under €100m. Trinity has secured this generous level of financing from benefactors who support the College's plans for the future and the way in which it contributes to the academic, social, cultural and business aspects both in Ireland and internationally.

11. Financial Position

The College has, in recent years, along with other institutions in the sector, changed the way in which its accounts are presented. In line with best practice, the financial statements are now prepared according to Generally Accepted Accounting Principles (GAAP). This means that all the College's activities (academic and support) are consolidated into the one set of financial statements. Funding Statements continue to be prepared according to the HEA's agreed format to facilitate comparison between institutions at a sectoral level and to assist the HEA in allocating funds to the institutions.

The Consolidated Financial Statements and the Funding Statements for 2004/05 are presented together with the Auditors' report¹ in Part 2 of this document.

The College is reporting a consolidated deficit for the year 2004/05 of \in 9.4m compared with a consolidated surplus of \in 5m in 2003/04. This outturn must be considered in the context of the underlying deficit of \in 1.5m on the College's 'core' activity as reported in the Funding Statements for 2004/05 compared with a virtual breakeven position for 2003/04.

1. The Auditors have had to issue a qualified opinion for the year 2004/05 because of the inability of the College to comply with SSAP 24: Accounting for Pension Costs. The College scheme is in deficit and, as such, compliance with SSAP 24 would require a significant additional pension cost to be charged to the Income & Expenditure Account. However, as the College is restricted by the HEA with regard to the level of pension contributions it can make it cannot comply with SSAP 24. Accordingly, SSAP 24 has not been applied in preparing these financial statements and, as in previous years, the College continues to account for pensions and disclose pension information as set out in the Funding Statements.



The reason for the different outturn in each year is entirely due to the different accounting rules applying to both the Consolidated Financial Statements and the Funding Statements.

Provision has been made in the Consolidated Financial Statements for estimated liabilities arising from the College's obligations under the Protection of Employees (Fixed Term Work) Act 2003 and accelerated depreciation of assets. The deficit for 2004/05 has been somewhat ameliorated by once-off income sources available to the College and the release of one-off provisions. No additional public funding has been received to date to meet this deficit.

As reported in the Consolidated Financial Statements, the net assets of the College amount to €665m at 30 September, 2005, an increase of €7m over 2003/04. The reported cumulative revenue reserves for 2004/05 of €20.2m are fully committed.

A valuation of the College's Pension Scheme was carried out as at 31 March, 2005 to review the long-term funding position of present and future liabilities. The valuation determined that the accumulated assets were not sufficient to cover the Scheme's accrued liabilities at the valuation date. The valuation also revealed a significant increase in the funding rate required to finance benefits under the Scheme. This need for increased funding is consistent with other pension schemes in the university sector and with pension schemes in general. The increased funding requirement arises from improving longevity, falling interest rates, a period of poor investment returns and high average salary increases. As a result of these pressures, the Higher Education Authority has established a working group to review the funding arrangements for university pension schemes in general. The Trustees and the College have acknowledged the actuary's recommendations and have agreed to defer further consideration of the funding requirements pending the outcome of this review.

The College continues to have significant levels of capital investment arising particularly from the HEA sponsored PRTLI and from SFI programmes. The position in relation to the capital programme is very positive and a significant number of major projects have now been successfully completed, largely on time and with a satisfactory financial outcome in overall terms. (See Section 9). The College is however concerned that the level of funding available is insufficient to address back-log and on-going maintenance along with Health and Safety requirements to the required standards. In signing off these accounts, the College's Auditors reported to the Board that the College would find it challenging to secure a surplus in the future.

The ability to plan financially for increased levels of activity in both teaching and research is being undermined by the lack of multi-annual funding, the underlying deficit as reported in the Funding Statements for the College's 'core' activities and the lack of financial flexibility that arises when the majority of costs are driven largely by State-approved pay awards and legislative compliance which are then not always fully matched by increases in the Department of Education and Science approved tuition fee and grant.

It is becoming increasingly difficult, and highly unlikely, to generate recurrent funds from philanthropic sources at a sufficient level to substitute for real reductions in the levels of State funding. After years of experiencing real reductions in State funding levels for its 'core' recurrent activity, the College no longer has the capacity, within its own resources, to respond to a crisis and plan with certainty.

12. Conclusion

Trinity had a good year in 2004/05, notwithstanding the pressures caused by a difficult funding environment.

The College's cost base is driven largely by issues over which it has limited control. In common with the experience of all Irish universities, this has resulted in real reductions in the levels of State funding for core activities. This is a challenge which the College, in partnership with the State, must address.

Notwithstanding these funding difficulties, the College must continue to plan for the future. The review and up-date of our Strategic Plan 2003-2008 is underway. It will show that many of the targets set have already been achieved and in a number of cases exceeded. The College will set new goals for itself. It is confident that, with necessary support, its excellent staff will achieve these. The review of the strategic plan will identify the pillars of research activity on which the College's international reputation will be further enhanced. It will also reinforce its strategies for ensuring that its undergraduates and postgraduates continue to receive a world-class education in all the fields of academia which the College offers, and continue to contribute to, and share in the Trinity Experience.

These are the College's ambitions.

The University of Dublin Trinity College

Financial Statements (incorporating Consolidated Financial Statements & Funding Statements) Year ended 30 September 2005

Tá gnéithe den chaiteachas Caipitiúil agus Reatha araon arna dtuairisciú sna Ráitis Airgeadais seo maointhe faoi cheann amháin nó nios mó de na cláir seo a leanas arna riaradh ag an ÚAO.

Elements of both Capital and Recurrent expenditure reported in these Financial Statements, have been funded under one or more of the following programmes administered by the HEA.







HEA Higher Education Authority An tÚdarás um Ard-Oideachas



Part 2: Financial Statements (Incorporating Consolidated Financial and Funding Statements) Year Ended 30 September 2005.

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Pages:	
1.	Statement of Responsibilities
2.	Independent Auditors' Report to the Board of the University of Dublin, Trinity College

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8.	Consolidated Income and Expenditure Account

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36.	Income and Expenditure
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Part 2: Financial Statements

Year ended 30 September 2005

Statement of Responsibilites

The College is required to comply with the Universities Act, 1997, and to keep in such form as may be approved of by the Higher Education Authority all proper and usual accounts of money received and expended by it.

In preparing those accounts, the College is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- disclose and explain any material departures from applicable accounting standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the College will continue in operation.

The College is responsible for keeping proper books of account which disclose with reasonable accuracy, at any time, the financial position of the College and which enables it to ensure that its financial statements comply with the Universities Act, 1997, the Statement of Recommended Practice - Accounting for Further and Higher Education Institutions and are prepared in accordance with accounting standards generally accepted in Ireland.

The College is responsible for ensuring that the business of the College 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.



KPMG Chartered Accountants 1 Stokes Place St Stephens Green Dublin 2 Ireland

Independent Auditors' report to the Board of the University of Dublin, Trinity College

We have audited the financial statements of the College for the year ended 30 September, 2005 as set out on pages 5 to 30. These financial statements have been prepared under the accounting policies set out therein.

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

Respective responsibilities of the College and Auditors

The College is responsible for preparing the annual report and the financial statements in accordance with applicable Irish law and accounting standards issued by the Accounting Standards Board and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland), as described on page 1.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the accounting standards.

We read the annual report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with International Standard on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the College in the preparation of the financial statements, and of whether the accounting policies are appropriate to the College's circumstances, consistently applied and adequately disclosed. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Qualified opinion arising from non compliance with accounting standards

As outlined in the annual report in Section 11, the College's pension cost is not accounted for in line with the Statement of Standard Accounting Practice 24: Pension Costs as deficits arising are not accounted for over the remaining service lives of employees.

Except for pension costs not being accounted for in line with the Statement of Standard Accounting Practice 24: Pension Costs, in our opinion the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the College and its subsidiary's affairs at 30 September 2005 and of its deficit for the year then ended.

We have obtained all the information and explanations we consider necessary for the purposes of our audit. In our opinion, proper books of account have been kept by the College. The balance sheet of the College is in agreement with the books of account.

In our opinion, the information given in the annual report is consistent with the financial statements.

On 8 February 2006 we reported that the funding statements set out on pages 33 to 44 had been properly prepared in accordance with the most recent Harmonisation of Accounts agreement.

KPMG

Chartered Accountants Registered Auditors 17 July 2006

Consolidated Financial Statements

Year Ended 30 September 2005



Statement of Accounting Policies

The significant accounting policies adopted by the University of Dublin, Trinity College (referred to hereafter as "the College") are as follows:

Basis of preparation

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and the Statement of Recommended Practice-Accounting for Further and Higher Education Institutions. Financial statements giving a true and fair view are prepared in accordance with Generally Accepted Accounting Practice in Ireland, comprising applicable accounting standards issued by the Accounting Standards Board as promulgated by the Institute of Chartered Accountants in Ireland.

Accounting convention

The financial statements have been prepared under the historical cost convention, modified by the revaluation of certain land and buildings.

Basis of consolidation

The consolidated financial statements include the College and Ghala Limited; other undertakings in which the College has a financial interest, as indicated in note 29, have not been consolidated on the grounds of immateriality. Intra-College income and expenditure are eliminated fully on consolidation.

In accordance with FRS 2, the financial statements of the Trinity Foundation, Pension Fund, Trust Funds and Capitated Bodies have not been consolidated as they are not controlled by the College.

Recognition of income

Recurrent grants from the Higher Education Authority and other bodies are recognised in the period in which they are receivable.

Non-recurrent grants from the Higher Education Authority or other bodies received in respect of the acquisition or construction of fixed assets are treated as deferred capital grants and amortised in line with depreciation over the life of the assets.

Income from research grants, contracts and other services rendered is included to the extent of the completion of the contract or service concerned. This is generally equivalent to the sum of the relevant expenditure incurred during the year and any related contributions towards overhead costs.

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

Income from specific endowments and donations is included to the extent of the relevant expenditure incurred during the year, together with any related contributions toward overhead costs.

Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into euro either at year end rates or, where they are related to forward foreign exchange contracts, at contract rates. The resulting exchange differences are dealt with in the determination of income and expenditure for the financial year.

Tangible fixed assets

(a) Land and buildings

The College's buildings are valued on an existing use basis. Land has been valued at €126,974 per acre and buildings have been valued at a standard cost of €2,413 per square metre. Land and buildings were revalued by the Board of the College in 1998.

In accordance with FRS 15 "Tangible Fixed Assets", the College retained the book value of land and buildings, which were revalued in 1998. These values are retained subject to the requirement to test assets for impairment in accordance with FRS 11. Land and buildings acquired since the valuation are included in the balance sheet at cost (except for those held as investments). Freehold land is not depreciated. Freehold buildings are depreciated over their expected useful economic life to the College of 50 years.

Where land and buildings are acquired with the aid of specific grants they are capitalised and depreciated as above. The related grants are credited to a deferred capital grant account and are released to the income and expenditure account over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.



Statement of Accounting Policies - continued

Finance costs which are directly attributable to the construction of land and buildings are capitalised as part of the cost of those assets.

A fixed asset impairment review is carried out if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable.

Buildings under construction are accounted for at cost, based on the value of architects' certificates and other direct costs incurred to the financial year end. They are not depreciated until they are brought into use.

The College has considered the application of FRS 5: "Reporting the Substance of Transactions" with regard to certain assets used by the College where the legal form of all transactions would indicate that all or part of the assets are not owned by the College. The financial substance of all transactions has been reflected in the consolidated financial statements and as such the full value of these assets is included in tangible fixed assets.

(b) Equipment

Equipment costing less than €1,270 per individual item is written off to the income and expenditure account in the year of acquisition. All other equipment is capitalised at cost. Capitalised equipment is depreciated over its useful economic life as follows:

Leased assets	20 years or primary lease period, if shorter
Computer equipment	3 years
Furniture	10 years
Equipment	5 years

Where equipment is acquired with the aid of specific grants it is capitalised and depreciated in accordance with the above policy, with the related grant being credited to a deferred capital grant account and released to the income and expenditure account over the expected useful economic life of the related equipment.

(c) Donations

The College receives, on occasion, benefits in kind such as gifts of equipment. Items of a significant value donated to the College, which, if purchased, the College would treat as tangible fixed assets, are capitalised at their current value and depreciated in accordance with the policy set out above. The value of the donation is treated as a deferred capital grant and amortised in the income and expenditure account over the life of the related asset.

Leased assets

Leasing agreements that transfer to the College substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged to the income and expenditure account in proportion to the reducing capital element outstanding. Assets held under finance leases are depreciated over the shorter of the lease term or the useful economic lives of equivalent owned assets.

Rental costs under operating leases are charged to expenditure in equal annual amounts over the period of the lease.

Financial Assets

Fixed asset investments are carried at historical cost less any provision for impairment in their value.

Current asset investments are included in the balance sheet at the lower of their original cost and net realisable value.

Stocks

Stocks are stated at the lower of their cost and net realisable value. Where necessary, provision is made for obsolete, slow moving and defective stock. Expenditure incurred by the College on books and consumable stocks financed from recurrent grants are charged to the income and expenditure account.



Statement of Accounting Policies - continued

Taxation

As the College holds tax-exempt status, it is not liable for Corporation Tax or Income Tax on any of its charitable activities.

Activities undertaken by the College, administered through its subsidiary companies, are liable to Corporation Tax.

Provisions

Provisions are recognised when the College has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Retirement benefits

The College funds a defined benefit pension scheme and prolonged disability income scheme. Pension costs at the date of retirement are funded by the College on the basis of charging the relevant cost of providing pensions over the period during which the College benefits from the employee's services up to a maximum contribution approved by the HEA. Pension increases after retirement are funded by the College on a 'pay-as-you-go' basis and are charged to the income and expenditure account.

Maintenance of premises

The cost of routine corrective maintenance is charged to the income and expenditure account in the period that it is incurred.



Consolidated Income and Expenditure Account

Year ended 30 September 2005

	Notes	College & Consolidated 2005 €'000	College & Consolidated 2004 €'000
Income			
State grants	1	84,891	82,399
Academic fees	2	72,756	66,611
Research grants and contracts	3	58,139	47,791
Amortisation of deferred capital grants	19	10,472	12,786
Other operating income	4	37,078	35,715
Interest income	5	2,217	1,776
Total income		265,553	247,078
Expenditure			
Staff costs	6	183,330	168,337
Other operating expenses	7	58,871	48,824
Interest payable	8	3,207	3,146
Depreciation	12	29,558	24,585
Profit on disposal of fixed assets	9	-	(2,783)
Total expenditure		274,966	242,109
(Deficit)/surplus for the year before taxation		(9,413)	4,969
Taxation	10	-	
(Deficit)/surplus for the year after taxation	11	(9,413)	4,969

The income and expenditure account is in respect of continuing activities. There are no gains or losses arising other than those dealt with above.



Consolidated Statement of Historic Cost Surpluses and Deficits

Year ended 30 September 2005

	2005 €'000	2004 €'000
(Deficit)/surplus for the year after taxation	(9,413)	4,969
Difference between historical cost depreciation and the actual charge for the year calculated on the re-valued amount	5,729	14,481
Historical cost (deficit)/surplus for the year before taxation	(3,684)	19,450
Historical cost (deficit)/surplus for the year after taxation	(3,684)	19,450

Consolidated Statement of Total Recognised Gains and Losses

Year ended 30 September 2005

	2005 €'000	2004 €'000
(Deficit)/surplus for the year after depreciation of assets at valuation, disposal of assets and taxation	(9,413)	4,969
Unrealised surplus on revaluation of fixed asset	-	-
Total recognised (losses)/gains relating to the period	(9,413)	4,969



Consolidated Balance Sheet

Year ended 30 September 2005

		Consolidated		College	
	Notes	2005 €'000	2004 €'000	2005 €'000	2004 €'000
Fixed assets					
Tangible assets	12	683,398	676,466	639,749	645,320
Financial assets	13	98	131	98	131
		683,496	676,597	639,847	645,451
Current assets					
Cash at bank		7,316	19,279	7,140	18,179
Debtors	14	43,185	59,028	85,049	90,679
Stocks	15	402	427	402	427
Short term deposits		114,576	63,760	114,576	63,760
		165,479	142,494	207,167	173,045
Creditors: Amounts falling due within one year	16	(130,786)	(108,852)	(128,825)	(108,257)
Net current assets		34,693	33,642	78,342	64,788
Total assets less current liabilities		718,189	710,239	718,189	710,239
Creditors: Amounts falling due after one year	17	(52,615)	(51,888)	(52,615)	(51,888)
Net assets		665,574	658,351	665,574	658,351
Deferred capital grants	19	307,984	291,348	307,984	291,348
Revaluation reserve	20	337,387	341,648	337,387	341,648
Revenue reserves	21	20,203	25,355	20,203	25,355
	21	357,590	367,003	357,590	367,003
Total		665,574	658,351	665,574	658,351

The financial statements on pages 5 to 30 were approved by the Board of the College on 5 July 2006 and signed on its behalf by:

John Hegarty	Grace Dempsey
Provost	Treasurer



Consolidated Cashflow Statement

Year ended 30 September 2005

	Notes	2005 €'000	2004 €'000
Net cash inflow from operating activities	24	43,415	23,800
Returns on investments and servicing of finance	25	193	(438)
Capital expenditure and financial investment	26	453	(3,162)
Net cash inflow before use of liquid resources and financing		44,061	20,200
Management of liquid resources	27	(50,816)	(15,015)
(Decrease)/increase in cash in the period		(6,755)	5,185
Reconciliation of net cash flow to movement in net funds			
(Decrease)/increase in cash in the period	28	(6,755)	5,185
Increase in short term deposits		50,816	15,015
Finance lease		(821)	(23,975)
Movement in net funds in period		43,240	(3,775)
Net funds at 1 October	28	23,491	27,266
Net funds at 30 September	28	66,731	23,491



Notes to the Consolidated Financial Statements

1	State grants	2005 €'000	2004 €'000
	State grants allocated for recurrent purposes	84,891	82,399
	The above grant income was received from the following sources:	€'000	€'000
	HEA	81,863	79,956
	Department of Health and Children	3,028	2,443
		84,891	82,399
	Reconciliation of State grant received to income recognised	2005 €'000	2004 €'000
	State grant received in respect of current year	89,053	86,398
	State grant deferred from prior accounting year (note 16)	13,554	9,555
	State grant deferred to subsequent accounting years (note 16)	(17,716)	(13,554)
		84,891	82,399

State funding is received on a calendar year basis. The College's financial year is based on the academic year, from October to September. In accordance with the College's accounting policies, recurrent grants have become recognised on an accruals basis. Therefore, in any accounting year, an element of funding will be deferred to subsequent accounting periods in order to match the funding to the related expenditure.

2 Academic fees	2005 €'000	2004 €'000
Academic fee income	71,849	65,839
Miscellaneous fee income	907	772
Total fees paid by or on behalf of individual students	72,756	66,611

A total of €30,629,490 included in academic fee income was paid directly by the Higher Education Authority.

The academic fee income is analysed as follows:	2005 €'000	2004 €'000
Full time EU	47,576	43,521
Full time non EU	14,638	12,050
Part time EU	9,283	9,860
Part time non EU	344	400
Short courses	8	8
	71,849	65,839



Notes to the Consolidated Financial Statements

- continued

Student service charge

Included in academic fee income above is student service charge income as set out below and the expenditure to which it relates.

	2005 €'000	2004 €'000
Income from student service charge	6,351	5,266
Expenditure		
Student service costs	(3,751)	(3,569)
Examination costs	(1,081)	(1,029)
Space costs associated with student facilities	(1,230)	(1,063)
Costs relating to registration, fees, admissions and records	(1,284)	(1,116)
Total expenditure	(7,346)	(6,777)
Shortfall	(995)	(1,511)

3	Research grants and contracts	2005 €'000	2004 €'000
	State and semi-state	43,032	36,799
	European Union	4,303	3,384
	Industry	1,076	1,510
	Other	5,379	6,098
	SFI Overheads	4,349	-
		58,139	47,791



Notes to the Consolidated Financial Statements

- continued

4	Other operarting income	2005 €'000	2004 €'000
	Academic faculties and departments	4,977	4,336
	Service areas	1,025	1,150
	Ancillary services	720	708
	Catering	4,155	4,120
	Residences	9,483	6,914
	Other rental income	4,119	4,336
	Funded post income	2,230	2,866
	Library	6,241	6,293
	Other income	4,128	4,992
		37,078	35,715

5	Interest income	2005 €'000	2004 €'000
	Interest income	2,217	1,776

6 Staff costs

The average weekly number of persons (including senior post-holders) employed by the College during the period, expressed as full-time equivalent was:

	2005 Number	2004 Number
Teaching and research	1,071	1,018
Technical	942	960
Support services	737	719
Other	714	666
	3,464	3,363
	2005 €'000	€2004 €'000
Salaries and wages	155,474	146,094
Social welfare costs	9,980	8,814
Other pension costs	17,876	13,429
	183,330	168,337



Notes to the Consolidated Financial Statements

- continued

7 Other operating expenses	2005 €'000	2004 €'000
Telephone and related charges	869	737
Conference fees	460	660
Consumables	9,484	7,292
Computer software and hardware	5,066	4,127
Heat, light, water and power	4,677	3,320
Books and periodicals	3,442	3,354
Repairs and general maintenance	9,952	6,760
Insurance	1,779	2,312
Audit and professional	1,675	2,075
Rent and rates	2,594	1,812
Print and stationery	2,634	2,091
Travel and subsistence	4,235	3,383
Hospitality and entertainment	1,149	1,013
Recruitment	1,067	839
Other expenses	9,788	9,049
	58,871	48,824
Other operating expenses include:		
Auditors' remuneration:		
- External audit	66	63
Other services from external audit		2

The University of Dublin, Trinity College employs an internal auditor and these costs have been included as part of staff costs for the year.

8 Interest payable	2005 €'000	2004 €'000
On finance leases	3,199	3,138
On bank overdraft	8	8
Total	3,207	3,146



Notes to the Consolidated Financial Statements

- continued

9 Disposal of fixed assets

There was no profit or loss on disposal of assets in the current year.

10 Taxation

Trading activities undertaken by the College, administered through its subsidiary, are liable to corporation tax. There is no corporation tax charge for the College and its subsidiary in the current year.

11 (Deficit)/surplus for the year after taxation	2005 €'000	2004 €'000
The (deficit)/surplus on continuing operations for the period is made up as follows:		
College's (deficit)/surplus for the period	(9,413)	4,969
(Deficit)/surplus generated by the subsidiary undertaking and transferred to the College	-	-
Total	(9,413)	4,969



Notes to the Consolidated Financial Statements

- continued

12 Tangible fixed assets	Land and Buildings €'000	Computer Equipment €'000	Equipment €'000	Assets in course of construction €'000	Total €'000
Consolidated					
Cost or valuation					
At 1 October 2004	675,934	19,859	85,167	31,146	812,106
Additions	505	2,542	12,620	21,001	36,668
Disposals	-	(1,080)	(1,295)	-	(2,375)
Transfer from under construction	8,498	-	-	(8,498)	-
At 30 September 2005	684,937	21,321	96,492	43,649	846,399
Depreciation					
At 1 October 2004	63,284	15,413	56,943	-	135,640
Depreciation for year	16,406	2,668	10,484	-	29,558
Disposals	-	(1,060)	(1,137)	-	(2,197)
At 30 September 2005	79,690	17,021	66,290	-	163,001
Net book value At 1 October 2004	612,650	4,446	28,224	31,146	676,466
At 30 September 2005	605,247	4,300	30,202	43,649	683,398



Notes to the Consolidated Financial Statements

- continued

12 Tangible fixed assets continued	Land and Buildings €'000	Computer Equipment €'000	Equipment €'000	Total €'000
College				
Cost				
At 1 October 2004	675,934	19,859	85,167	780,960
Additions	9,003	2,542	12,620	24,165
Disposals	-	(1,080)	(1,295)	(2,375)
At 30 September 2005	684,937	21,321	96,492	802,750
Depreciation				
At 1 October 2004	63,284	15,413	56,943	135,640
Charge for year	16,406	2,668	10,484	29,558
Disposals	-	(1,060)	(1,137)	(2,197)
At 30 September 2005	79,690	17,021	66,290	163,001
Net book value				
At 1 October 2004	612,650	4,446	28,224	645,320
At 30 September 2005	605,247	4,300	30,202	639,749

Land and Buildings include assets valued by the Board of the College in 1998 and the historical cost of assets revalued amount to €346,648,000.

Land has been valued on an existing use basis at a valuation of €126,974 per acre. Buildings have been valued on an existing use basis at a standard cost of €2,413 per square metre.

The College owns a considerable number of works of art including paintings, silver, sculptures and priceless manuscripts. These works of art are not included in the financial statements because even though they are insured for substantial amounts, it is considered that no meaningful value can be attributed to them.

In applying FRS 5 'Reporting the Substance of Transactions', the College has included in Land and Buildings properties for which the related liabilities of \in 52,615,000 (2003/04: \in 51,888,000) are included in creditors due after one year and \in 2,451,000 (2003/04: \in 2,357,000) in creditors less than one year. The net book value of these properties is \in 69,120,000 (2003/04: \in 70,560,000).

In addition, included in Land and Buildings are assets with a net book value of €73,665,765 in order to report the substance of the arrangements in place rather than the legal form.

A disclosure in relation to the cost of inherited Land and Buildings cannot be given as their value prior to the revaluation in 1997/98 is not known.



Part 2: Consolidated Financial Statements

Year ended 30 September 2005

Notes to the Consolidated Financial Statements

- continued

13 Financial assets	Consolidated		College	
	2005 €'000	2004 €'000	2005 €'000	2004 €'000
Investments at the year end were held as follows:				
Quoted investments	25	30	25	30
Unquoted investments	73	101	73	101
	98	131	98	131

The movement in the book value of unquoted investments in the year of €28,000 represents an impairment provision.

The College held an interest in the following subsidiary and associate undertakings, the carrying value of these investments is nil:

Subsidiary undertakings	Principal activity	Interest %	Registered office/place of business
Ghala Limited	Educational infrastructure and development	100	30 Herbert St, Dublin 2
Associated undertakings			
Haughton Institute	Training/Education	33.33	St. James's Hospital, Dublin 8
Dublin Molecular Medicine Centre	Education and research	33.33	Belfield, Dublin 4



Notes to the Consolidated Financial Statements

- continued

	Consolidated		College	
14 Debtors	2005 €'000	2004 €'000	2005 €'000	2004 €'000
Trade debtors	4,720	3,738	4,720	3,738
Research grants and contracts receivable	13,132	12,859	13,132	12,859
State capital grants receivable	16,263	26,987	16,263	26,987
Non State capital funding receivable	2,188	8,140	2,188	8,140
Prepayments and other debtors	6,882	7,304	6,667	6,854
Amounts due from subsidiary undertakings	-	-	42,079	32,101
	43,185	59,028	85,049	90,679

	Consolidated	Consolidated and College	
15 Stocks	2005 €'000	2004 €'000	
Raw materials and consumables	250	221	
Finished goods for resale	152	206	
	402	427	

There is no material difference between the balance sheet amount of stocks and its replacement cost.



Notes to the Consolidated Financial Statements

- continued

	Cons	olidated	College	
16 Creditors: Amounts falling due within one year	2005 €'000	2004 €'000	2005 €'000	2004 €'000
Trade creditors	5,195	5,705	5,195	5,705
Research grants and contracts in advance	20,970	21,117	20,970	21,117
Academic fees received in advance	33,443	17,811	33,443	17,811
State recurrent grants received in advance	17,716	13,554	17,716	13,554
Capital funding received in advance	6,218	13,059	6,218	13,059
Accruals	31,689	19,487	29,728	18,892
Bank loans and overdrafts (note 18)	95	5,303	95	5,303
Obligations under finance leases (note 18)	2,451	2,357	2,451	2,357
PAYE/PRSI	3,675	3,343	3,675	3,343
Other creditors	9,334	7,116	9,334	7,116
	130,786	108,852	128,825	108,257

	Consolidated		College	
17 Creditors: Amounts falling due after one year	2005 €'000	2004 €'000	2005 €'000	2004 €'000
Obligations under finance leases (note 18)	52,615	51,888	52,615	51,888
	52,615	51,888	52,615	51,888

	Consolidated		College	
18 Borrowings	2005 €'000	2004 €'000	2005 €'000	2004 €'000
(a) Bank loans and overdrafts				
Bank loans and overdrafts are repayable as follows:				
Amounts due within one year	95	5,303	95	5,303
Total	95	5,303	95	5,303

The above balances represent unsecured bank overdrafts at 4.25%.



Part 2: Consolidated Financial Statements

Year ended 30 September 2005

Notes to the Consolidated Financial Statements - continued

Borrowings - continued

(b) Finance leases

The net finance lease obligations committed are:

	Con	Consolidated		ollege
	2005 €'000	2004 €'000	2005 €'000	2004 €'000
In one year or less	2,451	2,357	2,451	2,357
Between two and five years	10,826	10,410	10,826	10,410
Over five years	41,789	41,478	41,789	41,478
Total	55,066	54,245	55,066	54,245

19 Deferred capital grants Consolidated and College	State €'000	Other Grants and Benefactors €'000	Total €'000
At 1 October 2004			
Buildings*	117,168	102,112	219,280
Equipment*	36,942	35,126	72,068
Total	154,110	137,238	291,348
Amount received/receivable			
Buildings	24	15,358	15,382
Equipment	11,484	242	11,726
Total	11,508	15,600	27,108
Released to income and expenditure			
Buildings	4,769	4,870	9,639
Equipment	358	475	833
Total	5,127	5,345	10,472
At 30 September 2005			
Buildings	112,423	112,600	225,023
Equipment	48,068	34,893	82,961
Total	160,491	147,493	307,984

* Opening figures from prior year have been reclassified between State and other.



Notes to the Consolidated Financial Statements

- continued

20 Revaluation reserve Consolidated and College	2005 €'000	2004 €'000
At 1 October	341,648	341,648
Transfer to revenue reserve (Note 21)	(4,261)	-
At 30 September	337,387	341,648

21 Reconciliation of movement in reserves	Revenue reserves €'000	Revaluation reserves €'000	Total €'000
Consolidated			
At 1 October 2004	25,355	341,648	367,003
Deficit for the financial year	(9,413)	-	(9,413)
Transfer to revenue reserve	4,261	(4,261)	-
At 30 September 2005	20,203	337,387	357,590
College			
At 1 October 2004	25,355	341,648	367,003
Deficit for the financial year	(9,413)	-	(9,413)
Transfer to revenue reserve	4,261	(4,261)	-
At 30 September 2005	20,203	337,387	357,590

During the year €4,261,000 was transferred from the revaluation reserve to the revenue reserve, in accordance with FRS 15 'Tangible Fixed Assets' as the related asset was demolished to facilitate the new Lloyd Building.

22 Contingent liabilities

The College has given indemnities in relation to the qualification of certain expenditure for capital allowance purposes in the financing of the James Ussher Library, the Dublin Molecular Medicine Centre, the Lloyd Building, Botany Bay and Trinity Hall Student Residences.

As a requirement of the planning permission for the Trinity Hall Student Residences, the College has lodged a bond with Dublin Corporation guaranteeing to pay the Corporation €444,400 in the event that the proposed landscaping works are not completed in a satisfactory manner.

The College is involved in a number of legal actions arising in the ordinary course of business. No material adverse impact on the financial position of the College is expected to arise from the ultimate resolution of these legal actions.



Notes to the Consolidated Financial Statements

- continued

	Consolidated		College	
23 Capital commitments and guarantees	2005 €'000	2004 €'000	2005 €'000	2004 €'000
Contracted for but not provided	40,670	6,464	40,670	6,464
Authorised but not contracted out	11,726	51,949	11,726	51,949
	52,396	58,413	52,396	58,413

24 Reconciliation of consolidated operating (deficit)/surplus to net cash inflow from operating activities	2005 €'000	2004 €'000
(Deficit)/surplus on continuing operations after depreciation of assets at valuation	(9,413)	4,969
Depreciation	29,558	24,585
Amortisation of deferred capital grants	(10,472)	(12,786)
Profit on disposal of tangible fixed assets	-	(2,783)
Decrease/(increase) in stocks	25	(32)
Increase in debtors	(1,196)	(155)
Increase in creditors	33,890	8,624
Interest payable	3,207	3,146
Interest received	(2,217)	(1,776)
Unrealised losses on investments	33	8
Net cash inflow from operating activities	43,415	23,800
	0005	0004
25 Returns on investments and servicing of finance	2005 €'000	2004 €'000
Other interest received	2,217	1,776
Interest paid	(2,024)	(2,214)

Net cash inflow/(outflow) from returns on investments and servicing of finance 193

(438)



Part 2: Consolidated Financial Statements

Year ended 30 September 2005

Notes to the Consolidated Financial Statements

26 Capital expenditure and financial investment	2005 €'000	2004 €'000
Purchase of tangible fixed assets	(36,490)	(37,421)
Capital grants received	36,943	34,259
Net cash inflow/(outflow) from capital expenditure and financial investment	453	(3,162)

27 Management of liquid resources	2005 €'000	2004 €'000
Movement in short term deposits	(50,816)	(15,015)

28 Analysis of changes in net funds	At 1 October 2004 €'000	Cashflows €'000	Other changes €'000	At 30 September 2005 €'000
Cash in hand, and at bank	19,279	(11,963)	-	7,316
Overdrafts	(5,303)	5,208	-	(95)
	13,976	(6,755)	-	7,221
Finance leases	(54,245)	-	(821)	(55,066)
Short term deposits	63,760	50,816	-	114,576
Total	23,491	44,061	(821)	66,731



Notes to the Consolidated Financial Statements - continued

29 Related parties

Transactions with subsidiaries of the College have been eliminated on consolidation and no disclosure of these transactions has therefore been given.

Details of related party disclosures and the College's transactions with related parties are as follows:

The Haughton Institute is a related company limited by guarantee. The main objectives of the Institute are to facilitate the development on a combined basis with hospitals of medical postgraduate education and training and the management and funding of research. The College holds a 33.3% interest in the Haughton Institute. During the period, the College made payments of €177,714 (2003/04: €95,548) to the Haughton Institute and received €30,745 (2003/04: €52,714) for services provided to the Haughton Institute. At 30 September 2005, there was an amount of €167,151 (2003/04: €3,126) due to the College from the Haughton Institute. The net assets of the Haughton Institute per the audited Financial Statements at 31 December 2004 were €336,628 (2003: €377,337) and the deficit for the year amounted to €40,710 (2003: €151,960).

Dublin Molecular Medicine Centre (DMMC) is a related company limited by guarantee. The company was incorporated on 26 March, 2002 and its principal activities are research into molecular bases of diseases and graduate education, training, research and consultancy work in the biosciences. On 25 April 2005, the interest held by the University of Dublin, Trinity College in the DMMC reduced from 50% to 33.3% as the Royal College of Surgeons in Ireland was brought in as a joint and equal partner with the College and UCD. During the period the College incurred expenditure of €239,097 (2003/04: €486,086) in supporting the activities of the DMMC. At 30 September 2005 there was an amount of €78,206 (2003/04: €38,173) due to the DMMC. The net assets of the DMMC per audited Financial Statements at 30 September 2005 were €Nil (2004: €Nil) and the surplus for the year amounted to €Nil (2004: €Nil).



Notes to the Consolidated Financial Statements - continued

30 Retirement benefits

SSAP 24 disclosures

The College has a separately administered defined benefit pension scheme that operates under a Trust Deed and has seven Trustees including Irish Pension Trust as Corporate Trustee and Chairperson of the Trustees. Actuarial valuations of the scheme are conducted at three-year intervals with the latest formal actuarial valuation obtained for funding purposes carried out at 31 March 2005 using the projected unit method of valuation. This valuation indicated that the scheme's assets amounted to €251,827,000, which were sufficient to cover 72% of accrued liabilities. On this basis, the resultant liabilities were €348,999,000.

SSAP 24 accounting

The pension entitlements of certain employees under the defined benefit scheme are based on final pensionable pay and are secured by contributions by the College and the employees. The College's contribution is limited to 15% of pensionable salary due to a restriction imposed by the HEA on the level of the College's contribution rate. The contribution rate recommended by the scheme actuary arising from the latest formal evaluation was 26.4%. As a result of the restriction on the College's contribution rate referred to above, the College is unable to meet the required contribution rate recommended by the actuary nor can it comply with SSAP 24. Post-retirement pension increases paid to pensioners are funded by the College and charged to the income and expenditure account on a 'pay-as-you-go' basis.

FRS 17 disclosures

The following disclosures comply with those required under FRS 17: Retirement Benefits. FRS 17 stipulates the exact assumptions to be used in calculating the scheme liabilities. These may be different at a point in time compared to those used for the tri-annual actuarial valuation referred to above. In addition, as FRS 17 requires disclosure of the College's full pension liability, the liability of the post-retirements pension augmentation payments paid to pensioners must be determined and included with the liability of the defined benefit pension scheme.

It should be noted that FRS 17 will be implemented in full for the financial year ending 30 September 2006. As required by the standard, this will involve bringing the scheme deficit at that date onto the College's balance sheet, and taking the scheme deficit at 30 September 2005 onto the College's balance sheet by way of a prior year adjustment.

The valuation of the Scheme benefits for the purposes of FRS 17 disclosures have been based on the most recent actuarial valuation at 31 March 2005 updated to reflect the market value of scheme assets at 30 September 2005. In addition the valuation assumptions have been amended to take account of the requirements of FRS 17.

The financial assumptions used to calculate the retirement liabilities in relation to the deferred benefit pension scheme under FRS 17 as at 30 September 2005, 30 September 2004 and 30 September 2003 were as follows:

Financial Assumptions

	30 September 2005	30 September 2004	30 September 2003
Valuation method	Projected Unit	Projected Unit	Projected Unit
Discount rate	4.25%	5.00%	5.50%
Inflation rate	2.25%	2.50%	2.50%
Salary increases	4.50%	4.50%	4.50%
Pension supplementation	3.50%	3.50%	3.50%



Notes to the Consolidated Financial Statements

- continued

Assets are included at the mid-market valuation at the accounting date. The details of the assets have been extracted from audited pension fund financial statements for the year ended 30 September 2005. The assets have been adjusted to take account of net assets of the scheme, although for FRS 17 purposes, we have allowed for a special College contribution of approximately €3m. For scheme accounting, the expected rate of return, and the schemes' liabilities as at 30 September 2005 and for comparison purposes, 30 September 2004 and 30 September 2003 were:

	Expected Return	At 30 September 2005 €'000	Expected Return	At 30 September 2004 €'000	Expected Return	At 30 September 2003 €'000
Equities	6.60%	230,610	7.50%	175,887	7.50%	147,099
Bonds	3.10%	29,151	4.00%	22,220	4.00%	39,852
Property	4.60%	24,533	6.50%	27,131	6.50%	16,066
Cash	2.00%	4,329	2.00%	8,654	1.60%	5,634
Total market value of assets		288,623		233,892		208,651
Actuarial value of liability		(797,208)		(640,601)		(491,572)
Net pension liability		(508,585)		(406,709)		(282,921)

Movement in deficit during the year	2005 €'000	2004 €'000
Deficit at beginning of year	(406,709)	(282,921)
Current service cost	(23,754)	(15,571)
Contributions	17,264	17,890
Past service costs	(2,174)	(7,973)
Net interest cost	(16,197)	(13,401)
Actuarial loss	(77,015)	(104,733)
Deficit at end of year	(508,585)	(406,709)



Part 2: Consolidated Financial Statements

Year ended 30 September 2005

Notes to the Consolidated Financial Statements

	2005 €m	2004 €m	2003 €m
Consolidated net assets of University of Dublin, Trinity College	666	658	632
Net pension liability (FRS 17)	(509)	(407)	(283)
Consolidated net assets after net pension liability	157	251	349
Consolidated revenue reserves of University of Dublin, Trinity College	20	25	20
Net pension liability (FRS 17)	(509)	(407)	(283)
Revenue reserves deficit after net pension liability	(489)	(382)	(263)

History of experience gains and losses	Year ending 30 September 2005 €'000	Year ending 30 September 2004 €'000	Year ending 30 September 2003 €'000
Difference between expected and actual return			
on scheme assets	35,046	5,855	7,431
Percentage of scheme assets	12.1%	2.5%	3.6%
Experience gains and losses on scheme liabilities	(6,079)	(4,385)	(37,256)
Percentage of scheme liabilities	(0.1%)	(0.1%)	(7.6%)
Total amount recognised in statement of total			
recognised gains and losses	(77,015)	(104,733)	(29,825)
Percentage of scheme liabilities	(9.7%)	(16.3%)	(6.1%)



Notes to the Consolidated Financial Statements - continued

If FRS17 had been fully adopted in these financial statements the pension costs for the defined benefit scheme would be:

	Year ending 30 September 2005 €'000	Year ending 30 September 2004 €'000
Analysis of amount charged to operating deficit		
Current service cost	23,754	15,571
Past service cost	2,174	7,973
Total operating charge	25,928	23,544
Analysis of net return on pension fund		
Expected return on pension assets	16,138	13,941
Interest on pension liabilities	(32,335)	(27,342)
Net interest cost	(16,197)	(13,401)
Analysis of amount recognised in statement of total recognised gains and losses (STRGL)		
Actual return less expected return on assets	35,046	5,855
Experience gains and (losses) on liabilities	(6,079)	(4,385)
Changes in assumptions	(105,982)	(106,203)
Actuarial loss recognised in STRGL	(77,015)	(104,733)

The deficit in the scheme on the FRS 17 basis has increased by €101.9m from the previous year end. This was represented by an increase in total assets of €54.7m and offset by an increase in actuarial liabilities of €156.6m.

The increase in total assets has been primarily due to the improvement in the market value of the investments held as a result of the prevailing market conditions. The increase in the liabilities is primarily due to changes in actuarial assumptions.

The pension entitlements of certain other employees arise under a defined contribution pension scheme and are secured by contribution by the College and the employees to a separately administered pension fund. The pension charge for the year was €17.88m. Of this amount €164,974 relates to payments to the defined contribution scheme.

31 Approval of the Consolidated Financial Statements

The board of the College approved the Consolidated Financial Statements on 5 July 2006.

Funding Statements

Year Ended 30 September 2005



Part 2: Funding Statements

Year ended 30 September 2005

Statement of Accounting Policies

Funding Statements

The Funding Statements reflect the teaching, research and related service activities of the University of Dublin, Trinity College. The Financial Statements of the Pension Funds of Trinity College, Trinity College's Trust Funds and of financially independent ancillary activities are prepared annually and audited separately.

Accounting Convention

The Funding Statements are prepared under the historical cost convention, modified to include the revaluation of fixed assets. They are presented in accordance with the existing Harmonisation of Accounts agreement as adopted for all Irish universities.

The Harmonisation of Accounts agreement is not in agreement with generally accepted accounting principles (GAAP). A review of the harmonisation agreement by the Universities in consultation with the Higher Education Authority and the Comptroller and Auditor General, is in progress and will result in a new agreed harmonised format. The Funding Statements for the year ended 30 September 2005 will also be prepared on a consolidated basis and in accordance with accounting standards generally accepted in Ireland and the Statement of Recommended Practice - Accounting for Further and Higher Education Institutions. Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those promulgated by the Institute of Chartered Accountants in Ireland and issued by the Accounting Standards Board.

State Grants for Recurrent Expenditure

State Grants for recurrent expenditure are included in the Funding Statements on an accruals basis. Recurrent Grants are matched with the expenditure which they are intended to fund in the period in which the expenditure is incurred.

State Grants for Capital Expenditure

State Grants for capital expenditure are included in the Funding Statements of the period to the extent of cash received.

Fee Income

Fee Income is accounted for on an accruals basis and reported at EU fee levels. Non EU Medical and Dental fee income is included up to the EU level with any excess (up to the most recent related Unit Cost) being reported under Miscellaneous Income. Any further excess over the most recent related Unit Cost is included in the General Reserve (Medical, Dental and other Facilities Development Account).

Approved Allocations

The income and expenditure account is prepared on an accruals basis with the following exceptions:

- *i*) non pay expenditure of academic departments and certain service departments.
- ii) departmental equipment and minor works.

In these cases internal balances are carried forward in the balance sheet under current assets or liabilities, as appropriate.

Fixed Assets and Depreciation

(a) Land and buildings

The College's buildings are valued on an existing use basis. Land has been valued at \in 126,974 per acre and buildings have been valued at a standard cost of \in 2,413 per square metre. Land and buildings were revalued by the Board of the College in 1998.

Freehold land is not depreciated. Freehold buildings are depreciated on a straight line basis over their expected useful economic life to the College of 50 years.

Where land and buildings are acquired with the aid of specific grants they are capitalised and depreciated as above.

Finance costs which are directly attributable to the construction of land and buildings are capitalised as part of the cost of those assets.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable.



Statement of Accounting Policies

(a) Land and buildings - continued

Buildings under construction are accounted for at cost, based on the value of architects' certificates and other direct costs incurred to the financial year end. They are not depreciated until they are brought into use.

The College has considered the application of FRS 5: "Reporting the Substance of Transactions" with regard to certain assets used by the College where the legal form of the transaction would indicate that all or part of the assets are not owned by the College. The financial substance of the transaction has been reflected in the Funding Statements and as such the full value of these assets is included in fixed assets.

(b) Equipment

Equipment costing less than €1,270 per individual item is written off to the income and expenditure account in the year of acquisition. All other equipment is capitalised at cost. Capitalised equipment is depreciated over its useful economic life on a straight line basis as follows:

Leased assets	20 years or primary lease period, if shorter
Computer equipment	3 years
Furniture	10 years
Equipment	5 years

Where equipment is acquired with the aid of specific grants it is capitalised and depreciated in accordance with the above policy.

Leased Assets

Leasing agreements that transfer to the College substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. These assets are included in fixed assets and the capital elements of the leasing commitments are shown as obligations under finance leases. Assets held under finance leases are depreciated over the shorter of the lease term or the useful economic lives of equivalent owned assets.

Rental costs under operating leases are charged to expenditure in equal annual amounts over the period of the lease.

Financial Assets

Financial asset investments are carried at historical cost less any provision for impairment in their value.

Research Grants and Projects

Contract research expenditure is shown net of the contribution to indirect costs. Income from contract research grants is included in the income and expenditure account to the extent that the related expenditure has been incurred and to the extent that such income is recoverable. Contract research contributions to the College's indirect costs are included in other income. Fixed assets financed from contract research grants are capitalised in the balance sheet.

Foreign Currency

Costs denominated in foreign currencies are translated at the exchange rates ruling at the dates of the transactions. Assets and liabilities denominated in foreign currencies are translated into euro at the rate of exchange ruling at the balance sheet date. The resulting profits or losses are dealt with in the income and expenditure account.

Stocks

Stocks are stated at the lower of their cost and net realisable value. Where necessary, provision is made for obsolete, slow moving and defective stock. Expenditure incurred by the College on books and consumable stocks financed from recurrent grants are charged to the income and expenditure account.

Taxation

No provision has been made for taxation as the College holds tax exempt status.

Retirement Benefits

The College funds a defined benefit pension scheme and prolonged disability income scheme. Pension costs at the date of retirement are funded by the College on the basis of charging the relevant cost of providing pensions over the period during which the College benefits from the employee's services up to the maximum contribution approved by the HEA.



Statement of Accounting Policies

General Reserve

The General Reserve represents the value of funding applied for capital purposes together with the balance on ancillary service activities.

Ancillary Services

Ancillary Services are services provided on campus, on a cost recovery basis. The net outturn on such activities is transferred to the general reserve account.



Income and Expenditure Account

Year ended 30 September 2005

	Notes	2005 €'000	2004 €'000
Income			
State Grants	1	89,575	81,810
Student Fees	2	66,148	60,671
Other Income	3	16,905	12,324
		172,628	154,805
Research Grants & Projects	4	61,085	53,409
TOTAL		233,713	208,214
Expenditure			
Academic Faculties & Departments	5	92,427	80,534
Academic and Other Services	6	19,675	17,085
Premises	7	24,142	23,689
Amount Allocated for Capital Purposes	8	475	2,627
Central Administration & Services	9	11,617	10,732
General Educational Expenditure	10	7,177	6,040
Student Services	11	4,649	4,297
Miscellaneous Expenditure	12	7,976	6,928
		168,138	151,932
Research Grants & Projects	13	67,086	56,412
TOTAL	13	235,224	208,344
(Deficit) on Activities before Amortisation of Capital Reserves and Grants, Ancillary Services and Depreciation of Fixed Assets		(1,511)	(130)
Surplus on Ancillary Services	14	3,899	4,326
Depreciation of Fixed Assets	15	(25,815)	(24,585)
General Reserve Movement	16	21,916	20,259
(Deficit) for year	23	(1,511)	(130)

The Statement of Accounting Policies (Pages 33 to 35) and Notes to the Funding Statements (Pages 38 to 44) form part of these Funding Statements.

John Hegarty	Grace Dempsey
Provost	Treasurer



Balance Sheet

Year ended 30 September 2005

	Notes	2005 €'000	2004 €'000
Fixed Assets	17	641,756	648,238
Financial Assets	18	98	131
Current Assets			
Bank and cash balances		121,716	81,939
Debtors and prepayments	19	69,971	58,061
Stocks		403	379
		192,090	140,379
Current Liabilities			
Creditors and accrued expenditure	20	(157,909)	(119,740)
Bank balances		(95)	(5,303)
		(158,004)	(125,043)
Net Current Assets		34,086	15,336
Long Term Liabilities			
Creditors due after one year	21	(52,615)	(51,888)
		623,325	611,817
Represented by:			
General Reserve	22	624,851	611,836
Investments		25	21
Revenue Reserve	23	(1,551)	(40)
		623,325	611,817

The Statement of Accounting Policies (Pages 33 to 35) and Notes to the Funding Statements (Pages 38 to 44) form part of these Funding Statements.

> John Hegarty Provost

Grace Dempsey Treasurer



Notes to the Funding Statements

1.	State Grants	2005 €'000	2004 €'000
	Recurrent grant	81,520	74,689
	Nursing	3,028	2,443
	Targeted funding for special initiatives	4,827	4,471
	Minor works	200	207
		89,575	81,810

2. Student Fees		
Academic	65,430	60,066
Miscellaneous fee income	718	605
	66,148	60,671

A total of €30,626,914 included in academic fee income was paid directly by the Higher Education Authority.

3.	Other Income		
	Interest receivable (net)	2,161	1,809
	Funded posts and donations	1,089	1,030
	Research grants and projects contribution	4,872	3,157
	Non EU fees	4,146	3,150
	Miscellaneous income	4,637	3,178
		16,905	12,324

4.	Research Grants and Projects		
	Research grants	61,085	53,409



Notes to the Funding Statements

		Staff Costs €'000	Non Pay €'000	2005 Total €'000	2004 Total €'000
5.	Academic Faculties & Departments				
	Academic	64,845	-	64,845	58,158
	Technical	9,180	-	9,180	9,447
	Administrative support	6,875	-	6,875	5,986
	Departmental grants	-	10,826	10,826	6,237
	Miscellaneous	-	701	701	706
		80,900	11,527	92,427	80,534
6.	Academic and Other Services				
	Library	7,536	2,374	9,910	8,796
	Information systems services	4,226	3,015	7,241	6,185
	Bio resources unit	576	99	675	609
	Audio-visual & media services	335	68	403	655
	Centre for microscopy and analysis	244	85	329	314
	Innovation services	464	653	1,117	526
		13,381	6,294	19,675	17,085
7.	Premises				
	Premises maintenance	2,984	4,242	7,226	6,991
	General services	9,084	1,849	10,933	11,078
	Minor works	-	200	200	200
	Rent & rates	-	183	183	184
	Insurance	-	1,494	1,494	2,087
	Energy	42	4,064	4,106	3,149
		12,110	12,032	24,142	23,689
8.	Amount Allocated for Capital Purposes				
	Capital projects		475	475	2,627
	Equipment	-		-	-
			475	475	2,627



Notes to the Funding Statements

		Staff Costs €'000	Non Pay €'000	2005 Total €'000	2004 Total €'000
9.	Central Administration & Services				
	Administration	8,836	-	8,836	7,935
	Expenses	-	1,626	1,626	942
	Professional charges	-	226	226	967
	Miscellaneous	-	929	929	888
		8,836	2,781	11,617	10,732
10.	General Educational Expenditure				
	Examination expenses	194	677	871	727
	Scholarships, prizes & fellowships	-	3,864	3,864	3,470
	Miscellaneous expenses	-	2,442	2,442	1,843
		194	6,983	7,177	6,040
11.	Student Services				
	Capitation grants	-	1,110	1,110	1,094
	Student services	627	502	1,129	1,181
	Careers advisory service	589	176	765	664
	Sports & recreation	369	26	395	355
	Health & counselling	997	253	1,250	1,003
		2,582	2,067	4,649	4,297
12.	Miscellaneous Expenditure				
	Pensions	7,249	-	7,249	5,232
	Miscellaneous expenses	174	553	727	1,696
		7,423	553	7,976	6,928
13.	Total Expenditure				
	Academic & related services	125,426	42,712	168,138	151,932
	Research grants & projects	42,231	24,855	67,086	56,412



Notes to the Funding Statements

14.	Surplus on Ancillary Services				
		Income €'000	Expenditure/ Allocation €'000	Surplus/ (Deficit) €'000	2004 €'000
	Catering	5,114	4,760	354	426
	Student residences	7,668	5,363	2,305	1,698
	Conferences	2,969	2,455	514	807
	Library shop	2,635	2,635	-	-
	Other	220	351	(131)	(171)
	Enterprise centre	2,020	1,881	139	280
	Copying service	49	60	(11)	(8)
	Day nursery	409	381	28	31
	Diagnostics	407	371	36	(12)
	Medical/dental and other facilities development account	633	-	633	1,272
	College company proceeds and royalties account	32	-	32	3
		22,156	18,257	3,899	4,326

15.	Depreciation of Fixed Assets	2005 €'000	2004 €'000
	Land and buildings	12,663	14,159
	Equipment	13,152	10,426
		25,815	24,585

16. General Reserve Movement (See Note 22)	2005 €'000	2004 €'000
Amortisation in line with depreciation	25,815	24,585
Surplus on ancillary services from Income & Expenditure account to General Reserve	(3,899)	(4,326)
	21,916	20,259

Part 2: Funding Statements



Year ended 30 September 2005

Notes to the Funding Statements

- continued

17. Fixed Assets			
	Land and Buildings €'000	Equipment €'000	2005 €'000
Cost/Valuation at 1 October 2004			
Valuation	439,942	5,452	445,394
Cost	236,924	101,560	338,484
Total	676,866	107,012	783,878
Additions at Cost	9,091	14,164	23,255
Disposals	(4,261)	(2,376)	(6,637)
Cost/Valuation at 30 September 2005			
Valuation	435,681	5,452	441,133
Cost	246,015	113,348	359,363
Total	681,696	118,800	800,496
Depreciation			
At 1 October 2004	63,284	72,356	135,640
Less Accumulated Depreciation on Disposals	(518)	(2,197)	(2,715)
Depreciation for Year	12,663	13,152	25,815
At 30 September 2005	75,429	83,311	158,740
Net Book Value at 1 October 2004	613,582	34,656	648,238
Net Book Value at 30 September 2005	606,267	35,489	641,756

Land has been valued on an existing use basis at a valuation of \in 126,974 per acre. Buildings have been valued on an existing use basis at a standard cost of \in 2,413 per square metre.

The College owns a considerable number of works of art including paintings, silver, sculptures and priceless manuscripts. These works of art are not included in the financial statements because even though they are insured for substantial amounts, it is considered that no meaningful value can be attributed to them.

In applying FRS 5 *'Reporting the Substance of Transactions'*, the College has included in Land and Buildings properties for which the related liabilities of \in 52,615,000 (2003/04: \in 51,888,000) are included in creditors due after one year and \in 2,451,000 (2003/04: \in 2,357,000) in creditors less than one year. The net book value of these properties is \in 69,120,000 (2003/04: \in 70,560,000).

In addition, included in Land and Buildings are assets with a net book value of €73,665,765 in order to report the substance of the arrangements in place rather than the legal form.

A disclosure in relation to the cost of inherited Land and Buildings cannot be given as their value prior to the revaluation in 1997/98 is not known.



Notes to the Funding Statements

- continued

18. Financial Assets	2005 €'000	2004 €'000
Quoted investments	25	21
Unquoted investments	73	110
	98	131

Quoted Investments relate to Iona Technologies, formerly a campus company of the College. The above valuation relates to the 10,000 shares held by the College.

19.	Debtors and Prepayments	2005 €'000	2004 €'000
	Contract research grants & projects recoverable	12,743	12,386
	Staff house loans	260	213
	Internal balances	3,494	2,906
	Trade debtors	4,720	3,738
	Other debtors and prepayments	6,675	6,717
	Amount due from subsidiary undertaking	42,079	32,101
		69,971	58,061

20.	Creditors and Accrued Expenditure	2005 €'000	2004 €'000
	Contract research grants and projects unexpended	22,427	21,317
	Trade creditors	5,120	5,630
	State grants for recurrent expenditure received in advance	22,656	23,178
	Academic fees received in advance	33,443	17,811
	PAYE/PRSI	3,675	3,343
	Internal balances	20,470	14,006
	Obligations under finance lease	2,451	2,357
	Other creditors and accruals	47,667	32,098
		157,909	119,740
21.	Creditors Due after One Year	2005 €'000	2004 €'000
	Lease creditor	52,615	51,888

The lease creditor relates to the financing arrangement for Trinity Hall which has the substance of a finance lease.



Notes to the Funding Statements

22.	General Reserve			
		Total to 30 September 2004 €'000	Movement in year €'000	Total to 30 September 2005 €'000
	Valuation – Fixed Assets	381,358	7,505	388,863
	State capital grants - HEA	119,285	17,147	136,432
	Recurrent funding transfer	26,948	475	27,423
	Capital donations	132,424	11,448	143,872
	Other (includes transfer of surplus on ancillary services - Note 16)	107,176	6,177	113,353
		767,191	42,752	809,943
	Disposals	(19,715)	(6,637)	(26,352)
	Amortisation			
	Amortisation at 1 October 2004	(135,640)		
	Accumulated amortisation on disposals		2,715	
	Amortisation in line with depreciation		(25,815)	
	Amortisation on 30 September 2005			(158,740)
		611,836	13,015	624,851

23.	Revenue Reserve	2005 €'000	2004 €'000
	Opening balance	(40)	90
	(Deficit) for year	(1,511)	(130)
	Closing balance	(1,551)	(40)

Part 2: Financial Statements (Incorporating Consolidated Financial Statements & Funding Statements) Year ended 30 September 2005



Reconciliation of Consolidated Financial Statements to the HEA Funding Statements Year ended 30 September 2005

2005 2004 €'000 €'000 (Deficit)/surplus per Consolidated Financial Statements before Taxation (9, 413)4,969 Less: Profit on disposal of Fixed Assets (2,783) Unexpended academic departmental funds (5,877) 2,363 Unexpended non-academic departmental funds (2,343) (1,549) Transfers to capital/reserves from recurrent (1,108) (3,899) Unincorporated ancillary activities (5,544) (6,789) Recurrent equipment non-capitalised (1,443) (3,019) Additional accruals in line with GAAP 1,605 (4,204) Finance lease interest payable 3,199 3,138 Other 327 (156) (20,597) (11,929) Addback: Difference between depreciation and amortisation 19,086 11,799 Deficit as per HEA Funding Statements (1,511) (130)



Notes

10.00





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