

A low-angle photograph of a modern glass and metal building against a blue sky with a vertical garden on the right. The building's glass facade reflects the sky and surrounding environment. The vertical garden is lush with green plants. The sky is a clear, vibrant blue with a few wispy clouds.

Trinity College Dublin, the University of Dublin

**Consolidated Financial Statements
Year ended 30 September 2019**



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Chief Financial Officer's Report

I present the Consolidated Financial Statements of Trinity College Dublin, the University of Dublin (the University, Trinity), as approved by Board on 25 March 2020. The Consolidated Financial Statements are prepared in accordance with Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice (SORP) - Accounting for Further and Higher Education (2015), issued by the Further and Higher Education (FE/HE) SORP Board in the UK, which has been voluntarily adopted by the University. In this context, the University has reviewed its accounting policies and made judgements and estimates that are reasonable and prudent to ensure a true and fair view of the University's affairs as at 30 September 2019.

The Consolidated Financial Statements include the University and its subsidiary undertakings as outlined in note 28. The basis of preparation is explained in greater detail in the Statement of Accounting Policies on pages 23 to 27.

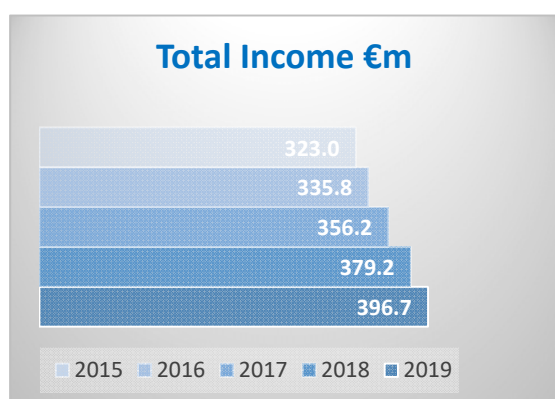
The summary results for 2018/2019 are set out in Table 1 below, which also shows a comparison to prior years and trends over the last 5 years. The University reported a surplus of €5.7m in 2018/19, which compares to a surplus of €0.9m in 2017/18 and deficits of €3.5m, €9.4m and €14m in the preceding 3 years respectively. Earnings before interest, tax, depreciation and amortisation (EBITDA) amounted to €13.8m in 2018/19, which represents an increase of 1% on prior year EBITDA of €13.7m. Excluding investment gains and losses and taxation, the University recorded a deficit of €7.2m in 2018/19 which compares to a deficit before other gains and losses and taxation of €6.1m in 2017/18.

Table 1 Summary Results				Restated***		
	5 year trend lines	2019 €m	2018 €m	2017 €m	2016 €m	2015 €m
State grants		50.4	48.7	44.5	44.0	44.5
Academic fees		153.1	149.0	137.3	130.5	128.9
Research grants and contracts		101.4	99.7	100.1	92.2	85.2
Other income		64.3	59.8	53.4	50.6	44.5
Investment income *		7.0	7.0	6.0	6.8	7.0
Donations and endowments		20.5	15.0	14.9	11.7	12.9
Total income**		396.7	379.2	356.2	335.8	323.0
Staff costs		271.5	263.0	245.9	234.7	231.1
Other operating expenses		111.4	102.5	99.4	92.7	94.5
Total operating expenses		382.9	365.5	345.3	327.4	325.6
Earnings before interest, tax, depreciation and amortisation (EBITDA)		13.8	13.7	10.9	8.4	(2.6)
Less:						
Depreciation and impairment (net of amortisation)		(16.8)	(15.8)	(20.1)	(34.4)	(19.8)
Net interest income / (payable)		(4.2)	(4.0)	(3.9)	(4.6)	(3.6)
Taxation		(0.2)	(0.1)	-	-	-
Deficit before other gains and losses		(7.4)	(6.2)	(13.1)	(30.6)	(26.0)
Plus:						
Gain / (loss) on revaluation of investment property		0.9	(0.3)	4.5	11.6	9.9
Gain on investments		12.2	7.4	5.1	9.6	2.1
Surplus/(deficit) for the year		5.7	0.9	(3.5)	(9.4)	(14.0)

*Investment income excludes interest income

** Total income excluding amortisation of capital grants and interest income – see Fig. 1

***Restatements of prior years are due to changes in accounting policies which have been applied retrospectively



Consolidated income (excluding amortisation of capital grants and interest income) of €396.7m (2017/18: €379.2m) represented an increase of €17.5m or 4.6% in the year, reflecting Trinity's continued success in attracting students and in diversifying its non-Exchequer income base.

Academic fee income of €153.1m in 2018/19 represented an increase of €4.1m in the year, reflecting a 1.8% growth in student numbers from 18,081 in 2017/18 to 18,407 in 2018/19, and an increase in the mix of non EU students from 15% to 17% of the total student base.

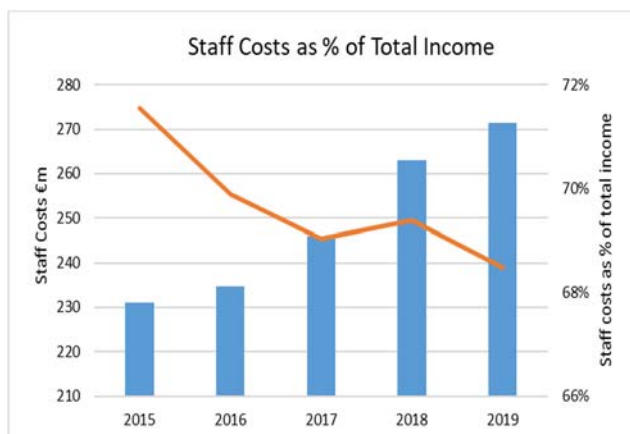
Research income of €101.4m (2017/18: €99.7m) increased by €1.7m while other income of €64.3m increased by €4.5m on the prior year, driven by continued growth in commercial revenues.

Fig 1

Year	EU	Non-EU	Total
2018/19	83%	17%	18,407
2017/18	85%	15%	18,081
2016/17	87%	13%	17,630
2015/16	89%	11%	17,511
2014/15	90%	10%	17,080

Donations and endowment income increased in 2018/19 to €20.5m (2017/18: €15.0m) which represents an increase in new funding of €5.5m. State grants of €50.4m increased by €1.7m (3.5%) year on year which is in line with the overall sectoral increase of 4%.

Table 2 Student Mix and Student Numbers

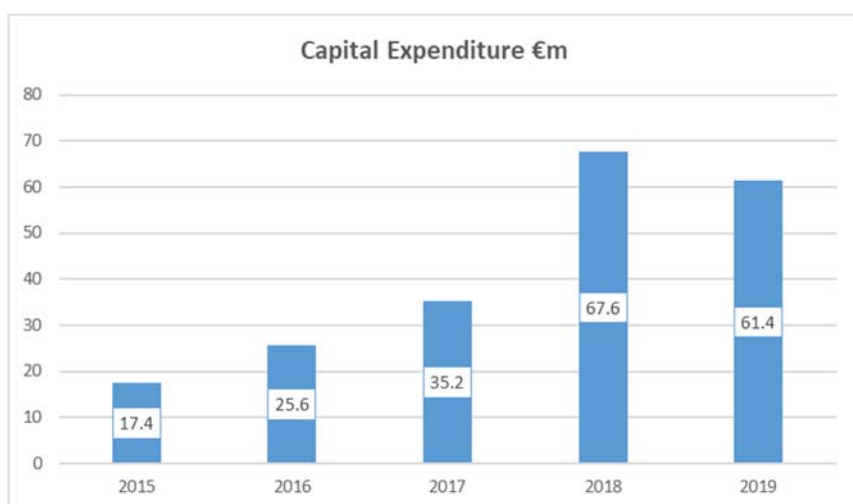


Consolidated expenditure (excluding depreciation and interest payable) for the year amounted to €382.9m (2017/18: €365.5m), an increase of €17.4m in the year. This was driven mainly by increased staff costs of €8.5m resulting from higher headcount (academic, research and commercial) and accelerated pay restoration approved by the State under the Lansdowne Road Agreement (pay increment of 1% took place in October 2018 followed by an additional 1.75% in September 2019). Staff costs have increased broadly in line with activity levels representing 68.4% of total income (2017/18: 69.4%). Other operating expenses increased 8.7% year on year, which was mainly due to increased activity relating to research and growth in commercial revenue. See notes 8 and 9 of the Consolidated Financial Statements for a further breakdown of Staff Costs and Other Operating Expenses.

Fig 2

Capital Expenditure and Cashflow

In 2018/19 the University invested €61m in capital expenditure on key infrastructure projects such as the Trinity Business School and Printing House Square student accommodation, along with continued investment in existing campus facilities. The scale of investment demonstrates a firm commitment to building a world leading campus for our students and staff and future development plans are well advanced for targeted growth in specific areas including the E3 Learning Foundry (an ambitious and innovative project to integrate engineering, technology and science expertise), the Grand Canal Innovation District and further student accommodation.



5 Year Cumulative Capital Expenditure
€207m

Fig 3

Cash balances and short term deposits amounted to €196.7m at 30 September 2019 (2018: €185.2m). This increase of €11.5m in the year is represented by a net cash inflow of €26.5m and a decrease of €15.0m in short term deposits. We remain in a strong position to fund the current capital programme and restructuring of the endowment portfolio in line with approved investment strategies. The University has a comprehensive Treasury Policy in place, which is regularly reviewed by the Finance Committee to ensure that risk is minimised.

Borrowings of €64m were drawn down in the year to finance infrastructure projects such as Trinity Biomedical Sciences Institute, Trinity Business School and Printing House Square. As at 30 September 2019, borrowings amounted to €208.6m, relating to loans held with the European Investment Bank (EIB) of €169.5m and Legal and General (L&G) of €39.1m.

The University complied with all of its loan covenants at the year-end and Table 3 below sets out the University's debt (loans and finance leases) as a percentage of net assets.

Table 3 – Debt as a % of Net Assets

	2019	2018	2017	2016	2015
Debt as a % of net assets	32%	25%	25%	25%	17%

Research Grants and Contracts

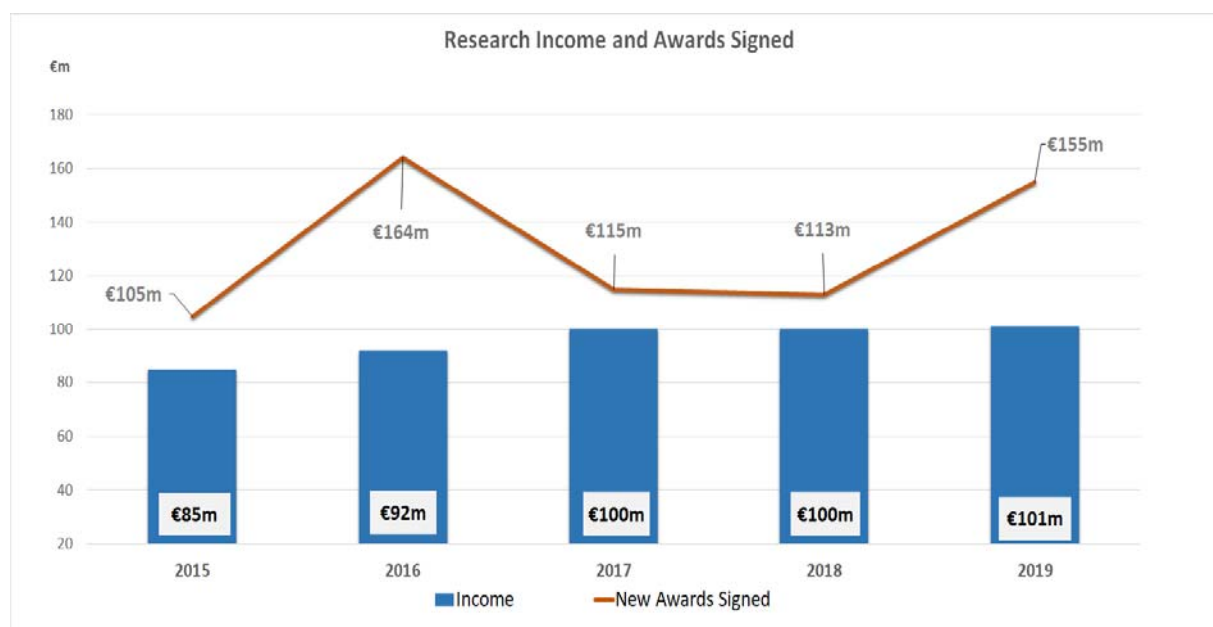


Fig 4

The level of research income for 2018/19 recorded in the Consolidated Financial Statements (measured on the basis of research expenditure during the year and not grant income received) remained broadly consistent for the third consecutive year at €101.4m. The value of new awards secured in the year amounted to €155m (2017/18: €113m). New awards in 2018/19 included a Science Foundation Ireland award of €48m releasing Phase 2 funding for AMBER (Advanced Materials and Bio-engineering Research) and is structured within a funding model that is designed to stimulate substantial growth in industry and non-exchequer funding. In 2018/19 the Exchequer: non-Exchequer ratio of research income was 54:46 (2017/18: 55:45).

Trinity's success in attracting EU funding has continued in 2018/19 with the value of new awards funded under the Horizon 2020 (H2020) programme amounting to €27m (2017/18: €24m). The University continues to lead out nationally in H2020 and has now secured a total of €112m in funding since 2014, which exceeds its total drawdown from the previous Framework 7 Programme. As a result, the University is ranked 33rd in Europe across all Higher Education Institutions (HEIs) for value of contracts signed. Trinity has also secured 50% of all European Research Council (ERC) awards to Ireland since 2014. Maximising the opportunities for excellent research through EU programmes is central to our research strategy, as is linking in with other European universities through membership of academic networks. As a member of LERU (League of European Research Universities), the University contributes to influencing policy at European Union and Member State level as a prestigious network rather than individually, and develops best practice between members and agrees collaborative actions.

While the research environment remains competitive, Trinity continues to benefit from the success of its Research Diversification Strategy, which focuses on EU, Industry and other non-Exchequer funding. The low rate of indirect costs (18%) compared to the Full Economic Cost (FEC) rate of 59% continues to challenge the University's research support mechanisms and is an annually occurring funding gap that needs to be addressed.

Trinity Endowment Fund

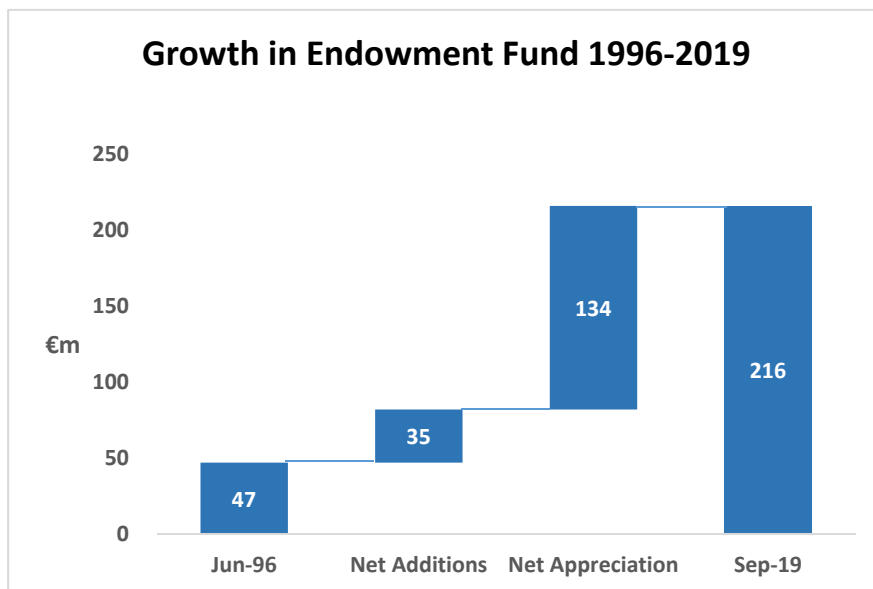


Fig 5

The Trinity Endowment Fund comprises permanent individual funds which provide financial support to specific University activities in perpetuity including endowed chairs, scholarships, fellowships, research, capital projects and a variety of other academic purposes. The total funds (net assets) held by the Endowment Fund amounted to €216m at 30 September 2019, well in excess of the €180m target value set out in the University’s Strategic Plan 2014-2019.

Since 1996 the Fund has received €35m in new endowments (€0.5m in 2018/19) and has delivered €134m in net appreciation, excluding yields which have been used to fund income contribution to the University’s activities.

Table 4 – Investment Return

	*Actual Return	**Benchmark
2019	9.4%	10.2%
2018	7.5%	9.2%
2017	5.8%	4.8%
2016	10.0%	9.8%
2015	5.1%	6.2%

* Annualised Returns (net of management fees)
 ** Aggregate Benchmark Returns

The Fund achieved a net return of 9.4% in 2018/19, resulting in a gross income contribution to the University of €7m. Table 4 outlines the Endowment Fund’s actual performance against a benchmark aggregate return by year from 2015 to 2019. Following a detailed review in 2017, the Fund has been significantly restructured to reduce its fixed income holding and invest in international infrastructure and international property assets. By 30 September 2019, the fixed income portfolio holding had been reduced to €9.9m. The University reinvested €16m during 2018/19 in international infrastructure and international property assets with further commitments of €11m due to be invested over the next 1-2 years.

Procurement

Delivery of the Procurement Strategy continues, with savings of c.€2m achieved in 2018/19 (FY17/18: c.€1.3m) across all categories of spend. Savings of €1.46m were derived from Laboratory & Research based activity with particularly significant savings achieved in tenders for MRI Scanners and Scanning Electron Microscopes.

The year 2018/19 saw the highest level of procurement activity yet recorded with 144 separate tenders and competitive processes. This is an exceptional level of activity with the Capital Works & Facilities section completing the greatest number of tenders followed by Laboratory & Research.

Audit Qualification

As in previous years, I draw your attention to the qualified audit opinion issued by the Board appointed auditors, KPMG. The University continues to include a retirement benefit receivable asset in the Statement of Financial Position in relation to the Master Pension

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Scheme, Single Public Service Pension Scheme, Model Pension Scheme and Pension Supplementation (consistent with other Irish universities) to recognise the funding due from the State in respect of all retirement benefit liabilities which are now funded on a 'pay-as-you-go' basis. The HEA has indicated that it is appropriate for the University to account for pension assets on this basis. However, it is the opinion of KPMG that no formal obligation, underpinned by legislation, in relation to the Model Pension Scheme and Pension Supplementation was accepted by the State as at 30 September 2019 and they have qualified the audit opinion on this basis. It should be noted that in 2018, the passing of Statutory Instrument 393 of 2018 placed the Model Scheme on a statutory basis, adopting the rules for pre-existing Public Service Pension Scheme Members Regulation 2014 (SI 582 of 2014) as the rules of the Model Scheme, subject to certain modifications as specified in SI 393 of 2018. Therefore the University, on advice from our legal advisors, consider it reasonable, to refer to the State providing a "de facto" guarantee in respect of the Model Scheme. The University will, once again, seek further clarification from the HEA with regard to the audit qualification issued by KPMG relating to the Model Scheme.

It should also be noted that the C&AG has not issued a qualification in this regard, as the recognition of the retirement benefit funding asset in respect of the Model Pension Scheme and Pension Supplementation anticipates that funding will be provided by the State to meet retirement benefit liabilities as they fall due. Inherent in this accounting treatment is an assumption that any income generated by the University will in the first instance be applied towards current expenses and that State funding will meet any shortfall in resources to fund future retirement benefit liabilities.

Key Performance Indicators (KPIs)

The following table sets out a summary of key performance indicators (KPIs) and shows performance against the 2019 targets as set out in the University's 5-year Strategic Plan 2014-2019.

KPI's	Target 2019	RAG Status	2019	2018	2017 restated	2016 restated	2015 restated
EBITDA ¹ as % of income	6.0%	A	3.5%	3.6%	3.1%	2.5%	-0.8%
Total Surplus as % income ²	3.0%	A	1.4%	0.2%	-1.0%	-2.8%	-4.3%
Exchequer/Non Exchequer Income ³	40:60	G	39:61	40:60	41:59	43:57	44:56
Pay/Non Pay Ratio ⁴	65 : 35	A	71:29	72:28	71:29	72:28	71 : 29
Pay as % of Income ²	65%	A	68%	69%	69%	69%	72%
Net Assets	€800m	G	€818m	€812m	€811m	€805m	€815m
Endowment Fund Value	€180m	G	€216m	€201m	€189m	€181m	€169m

Table 5

¹ Earnings before interest, tax, depreciation, once off impairments and amortisation

² Income before unrealised gains/losses and amortisation

³ Excludes State funding for pensions, SUSI payments and amortisation of capital grants (sector agreed)

⁴ Excludes depreciation, once off impairments and interest costs

Strategic Plan 2020-2025

In March 2020 the University published its new 5 year Strategic Plan for the years 2020-2025. In the new plan we remain committed to the University's mission to deliver research of international impact, and a student experience underpinned by quality teaching and access to excellent student services. We will continue to invest strategically in world class infrastructure and facilities which will underpin our growth and drive future success. These investments, funded mainly by philanthropic support and long-term financing from our partners in the European Investment Bank, will deliver financial returns in line with carefully planned and managed business cases. In addition, we are also committed to delivering longer term strategic investments such as the new Trinity at Grand Canal Quay campus on the TTEC site and the Old Library refurbishment. We will continue to focus on our core strategy of growing non-exchequer income across four key engines – research income, global relations, commercial revenues and philanthropic income. We will also continue to focus strongly on improving efficiency in our operations and support functions and reducing operating costs through investment in best-in-class IT systems and processes.

As a core element of this Strategic Plan, we are committed to a step change in improving the quality of the student experience in the University. We are committed to prioritising the financial resources needed to significantly reduce the student: staff ratio and we will carefully manage growth in student numbers in the various categories of undergraduates, postgraduate taught and postgraduate research students to ensure that the quality of student experience is maintained as the core objective.

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In support of the Strategic Plan, we have developed a comprehensive 5-year financial model which includes full costing of strategic initiatives in the plan and provides a fully integrated view of income, costs, investments, financing and cashflows for 5 years to 2025. This financial model is a key enabler in facilitating the development of scenarios for growth and investment and for the assessment of key sensitivities and risks in the plan. Our 5-year financial plan will inevitably need to be adapted for economic and other factors over time. Some of the key financial goals outlined in the Strategic Plan are summarised as follows:

- Ensure funding is in place for investment of €300m over the next five years in new infrastructure projects set out in the Strategic Plan including the Martin Naughton E3 Learning Foundry, a new Law School and student accommodation facilities in Printing House Square and Dartry. We are also committed to investing in longer term strategic projects such as the new Trinity at Grand Canal Quay Campus on the TTEC site and the Old Library refurbishment and are currently evaluating funding options to support these projects.
- Achieve financial sustainability through annual net surplus (before unrealised gains and losses) of 1% of income from 2020 onwards with targeted EBITDA growth from 3% to 8% of income by 2025 to cover annual costs associated with our capital investment programme.
- Grow student numbers (which underpin income growth), in line with the Global Relations Strategy 3, which includes targeted growth in postgraduate student numbers from 28% to 32% of total student base over 5 years and growth in non-EU student numbers from 17% to 18.5% by 2025.
- Grow the value of philanthropy to the University as a method of diversifying our income stream.
- Continue to plan for a reduction in the University's reliance on exchequer income and anticipate an increase in non-exchequer income from 61% of total income in 2019 to 65% in 2025.
- Achieve a reduction in the student: staff ratio, from 18:1 in 2019 to 16:1 by 2025 and ensure that financial resources are prioritised towards delivering this goal.
- Ensure net assets of the University and its subsidiaries are maintained at a minimum level of €800m over the period of the plan.
- Continue to ensure that financing structures are optimised over the period of the plan and that we will fully comply with our loan covenants, maintaining headroom on minimum cash levels, gearing ratios and debt servicing capability.
- Continue to be flexible and adaptable to economic conditions in managing the finances of the University, and meeting opportunities to enhance the academic mission as they arise.

Conclusion

In the financial year 2018/19 we saw continued improvements in the consolidated financial position of the University and its subsidiaries with the achievement of a surplus for the second financial year in a row. Given the financial challenges that the University has encountered over the last number of years, it is satisfying to see that the non-Exchequer income generating strategies (post-graduate and international students, commercialisation, philanthropy, research and industry engagement) have continued to deliver improvements. However, while our financial performance is strengthening, there are still major challenges in achieving the income required for a globally-competitive research university. Significant additional funding will be required from the Government to address the shortfall in public funding per student (which is only 40% of 2008 levels) and to meet anticipated growth in demographic and participation rates. Exchequer income has declined from 70% of the University's total income in 2008 to 39% in 2019 and the financial outlook for the University will continue to remain uncertain unless the Government commits to long-term funding or lifts the cap on undergraduate student fees. Furthermore a globally-competitive research university needs a national Research & Development funding environment where its academic staff can compete for research contracts: Ireland's public funding of research has fallen by 21% since 2008.

We will look to invest strategically in the University's infrastructure to underpin our growth and to drive future success. As outlined in the University's Strategic Plan 2020-2025, we will continue to focus on income generating strategies and delivering further returns from our ongoing investment in capital programmes. We remain committed to improving the financial position of the University while remaining completely focused on the University's mission to deliver quality student experience, quality teaching and quality research.

Peter Reynolds
Chief Financial Officer

25 March 2020

Statement of Responsibilities

Trinity College Dublin, the University of Dublin is required to comply with the Universities Act 1997, and to keep in such form as may be approved by An t-Údarás um Ard-Oideachas, all proper and usual accounts of money received and expended by it. In preparing those accounts, the University is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 University will continue in operation.

The University is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the University and which enable it to ensure that its Consolidated Financial Statements comply with the Universities Act 1997 and are prepared in accordance with accounting standards generally accepted in Ireland.

The University is responsible for ensuring that the business of the University is conducted in a proper and regular manner and for safeguarding all assets under its operational control and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of Trinity College Dublin, the University of Dublin

DR. PATRICK PRENDERGAST
PROVOST

25 March 2020

PETER REYNOLDS
CHIEF FINANCIAL OFFICER

Statement of Governance and Internal Control

On behalf of the Board of Trinity College Dublin, the University of Dublin, we acknowledge that it has overall responsibility for the University's system of internal control; covering all material controls including financial, operational and compliance controls and risk management systems, that support the achievement of the University's policies, aims and objectives while safeguarding the public and other funds and assets for which the Board are responsible.

The system of internal control is designed to manage rather than eliminate the risk of failure to adhere to policies, achieve aims and objectives and to conduct affairs in an orderly and legitimate manner. To that extent it can, therefore, only provide reasonable and not absolute assurance against material error.

The system of internal control is based on an on-going process designed to identify the principal risks to the achievement of policies, aims and objectives; to evaluate the nature and extent of those risks; and to manage them efficiently, effectively and economically. Management of risk has always been an integral part of the management of the University. A risk management framework has been in place since 2006 and will continue to be developed and strengthened on an ongoing basis.

In detail:

- (i) The following are the key control procedures in place to ensure that there is an appropriate and effective control environment in place in the University:
 - Trinity operates in accordance with the Universities Act 1997 and the Trinity College Dublin (Charters and Letters Patent Amendment) Act, 2000; and the meetings of the Board are held in accordance with Consolidated Statutes 2010. Formally, the Board is responsible for the adoption of the University's Strategic Plan, approval and oversight of key strategic initiatives and policies, oversight of major Capital Projects, and the adoption of Annual Financial Statements. The implementation of the strategy and day to day decisions are conducted by the Provost and other Officers and by the Executive Officer Group (chaired by the Provost) and the Planning Group (chaired by the Vice-Provost/Chief Academic Officer).
 - Regular reporting to the relevant Board Committees and Board on the financial and legal aspects of major projects and ensuring relevant milestones are achieved;
 - The terms of reference of Principal Committees of Board include the oversight of major initiatives within their remit and minutes of their meetings are received by Board;
 - Faculty Deans and Heads of Schools, Administrative and Service areas, in fulfilling their functions, operate according to policies on the Roles and Responsibilities in relation to financial matters approved by the Finance Committee and Board;
 - The Board, Finance Committee and the University's Executive Officers Group, Steering groups and other relevant committees review the risk profiles of major projects supported by the Capital Review Group (CRG) and available risk registers for specific high impact projects prior to and during, the implementation of these major projects;
 - Control Exception Reports are compiled by the Financial Services Division and considered by the Finance Committee on a bi-annual basis;
 - The University's High Level Risk Register is considered by the University's Risk Management Group, the Executive Officers Group, Board and the Audit Committee and is currently being reviewed and updated;
 - The Audit Committee, supported by the Internal Audit function, reviews the scope and effectiveness of the University's internal controls, including financial, operational and compliance controls and reports on an annual basis to Board;
 - A policy on the detection of, and response to, alleged financial fraud was introduced in December 2001; this policy also includes provisions for reporting fraud to the relevant authorities. A review of the University's Fraud Policy was conducted in 2017/18 and the revised policy was formally approved by the Board on 30 January 2019; and
 - Procedural manuals and guidelines on University activities are available to all staff.
- (ii) The following processes are used to identify organisational risks and to evaluate their financial implications:
 - An updated Risk Management Policy was adopted by Board in January 2019. This updated policy is being implemented on a phased basis as part of the Risk Management Framework 2018-2019, which was approved by the Risk Management Group in October 2018, presented to the Audit Committee for information and noted by the Board. This policy is clear with respect to ownership and implementation of its requirements across all areas of the University, academic and administrative, in assessing and managing the risks, including the financial implications thereof, in a structured manner;
 - The Risk Management Group, a sub-committee of the Executive Officers Group, considers and reviews the High Level Risk Register for the University on a regular basis;
 - The Board is made aware of the University's High Level Risks and risk owners and the steps being taken to manage the risks. The implementation of the Risk Policy and the integration of risk management into the operation of the University continues to be developed and integrated into the University's management structures as part of the Risk Management Framework. The Framework is driven by the Chief Risk Officer with support from all academic and professional leaders within the University;
 - All major proposals being presented to Board include a project risk assessment which includes associated financial risks;
 - Both the inter-institutional bodies, of which the University is a member, and Trinity subsidiary companies are required to provide six-monthly reports to Board under the following headings:

- Name;
 - Participating institutions;
 - Objectives;
 - Major ongoing activities;
 - Future plans;
 - Deviation (if any) from original objectives;
 - Nature and significance of risks to entity and significance to the University.
- (iii) Details of the major financial information systems that are in place such as budgets, and means of comparing actual results with budgets during the year:
- The University has established a Base-Line Budgeting Model and has developed a 5 year financial forecasting model. It carries out an annual budgeting process and the resulting annual estimates are approved by the Finance Committee and then Board. Budgets are reviewed against actual performance along with quarterly re-forecasting for the University and are presented to Finance Committee and Planning Group as part of the quarterly Financial and Performance Highlights reporting pack. Monthly reports are available and training and support has been provided to budget-holders at their request.
- (iv) Best practice procedures for addressing the financial implications of major business risks are followed including:
- The University has a structured authorisation process matching the monetary limits for the signing authority on financial transactions, within specified accounts, to the appropriate grade within each area; the Head of School/Function has overall responsibility for the delegation of signing authority within his/her area. In a devolved financial structure, the Faculty Dean/ Head of Division is accountable to the Board through Finance Committee for all financial matters of his/her Faculty/Division;
 - Detailed procedures on handling financial transactions are published on the University’s website by the Financial Services Division. This Division also provides financial training to staff on a regular basis. Policies and procedures are regularly reviewed and updated as appropriate;
 - Memberships of the following committees include finance professionals, or persons with significant financial expertise:
 - Audit Committee
 - Finance Committee
 - Human Resources Committee
 - Estates Policy Committee
 - Student Life Committee;
 - Finance Partners (Faculty/Division Financial Advisors) provide direct advice and support to the Academic community and Divisions in relation to financial matters;
 - Trinity established a Programme Management Office (‘PMO’) which developed and implemented standard University-wide governance processes for capital projects. The University’s standard comprehensive project governance process views the lifecycle of a capital project as a series of sequential Stages which allows for constant monitoring of projects. Each Stage is separated by a Gate at which a formal review takes place to determine if the project is to progress, and what funding is to be provided. Stage Gate approval is one of a number of mandatory processes in place which each capital project must follow including project approval, prioritisation and review management. These processes support the management, monitoring and control of projects to maintain them within University-wide capital project governance. Each capital project is required to have an academic Project Sponsor, an Executive Officer champion and a steering committee with an external Chair and independent monitor where appropriate; and
- The business cases for all projects with a value of €50,000 or more are reviewed by the CRG comprising the Chief Operating Officer (COO), Chief Financial Officer (CFO), Bursar and Head of PMO and the progress of each Capital Project is reviewed monthly by the CRG. The CRG is responsible for approving progress through the Stage Gates, release of next budget tranches, changes in scope etc. with material budgetary considerations being referred for approval to the College’s Executive Officers Group. The CRG also reviews the individual capital project’s risk register monthly in addition to monitoring the dependencies between ongoing projects.
- (v) Procedures for monitoring the effectiveness of internal controls:
- The oversight by Principal Committees of Board with regular reporting to Board of issues to which its attention should be drawn by way of the minutes of these committees and reporting by the Chairs of Committees who are elected members of Board, apart from the Finance Committee which is chaired by the Provost and the Audit Committee which is chaired by an independent external member;

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- A programme of external quality reviews of academic and support areas, the results of which feed into the risk registers of the individual areas. Quality reviews of Schools, programmes, Research and Support Services are guided by the requirements of the Qualifications and Quality Assurance Act 2012;
- The Audit Committee receives reports from the Internal Auditor on the status of internal controls; these reports are carried out in accordance with a work programme laid down by the University's Audit Committee and on a risk basis review controls across various functions in the University. The Audit Committee, in addition to providing minutes from all its meetings to the Board, reports to Board on an annual basis and issues an annual statement on the effectiveness of internal controls; and
- Reports from the University's external auditors and the Comptroller and Auditor General which are reviewed by the Audit Committee and Finance Committee.
- The risk management system is continuously under review and being refined. The University risk register is a live document which is reviewed by the University's Executive Officers Group, Audit Committee and Board. Updates to the risk register have come via representatives from the academic, research, operational and finance areas. Substantial progress is being made in embedding risk at a local unit level (i.e. in the faculties and divisions) and demonstrating the value of risk management as a valuable tool in optimising performance.

(vi) Confirmation of Review of the Effectiveness of the System of Internal Control:

- Trinity confirms that the above monitoring and review processes (Section (v)) have been in place throughout the financial year ended 30 September 2019 and that no material issues relating to the effectiveness of the system of internal control have been identified which require disclosure in this statement.
- In the interest of transparency, the following breaches of internal control have been identified in the year.
 - During the year under review, there were eight breaches of information security processes deemed reportable to the Data Protection Commission (DPC) based on the criteria for reporting. These breaches were reported to the DPC. The DPC has acknowledged and closed all breach reports. There are no current legal actions against the University, or investigations underway, in respect of data breaches.
 - During the year ended 30 September 2019, tenderable expenditure totalled €128 million. Of this, €1.9 million (<1.5% of total expenditure) did not comply with current procurement legislation in relation to public tendering requirements. During the year the University engaged the services and frameworks of the Office of Government procurement and the Education Procurement service whenever applicable. The University continues to work towards full compliance with all relevant guidelines.

In accordance with Code of Governance for Irish Universities 2019 and the Reporting Template for the Annual Governance Statement from Universities to the HEA 2019, we would like to advise as follows:

- (i) **Statutory Obligations:** The Board recognises that it is responsible for compliance with all statutory obligations applicable to the University as laid out in the Universities Act, 1997 and other relevant legislation.
- (ii) **Code of Governance and Codes of Conduct:** The Board, at its meeting of 27 March 2019, adopted the Code of Governance for Irish Universities 2019. The current Code of Conduct 2012 for Members and Employees is in place and implemented. This Code of Conduct contains clear policies for the University regarding conflicts of interest and ethics. A working group has been established to prepare a revised code in respect of the Governance of the University, along with a code of conduct for Board members and staff of the University which will be in keeping with the approved 2019 Code.
- (iii) **Financially Significant Developments:** See Chief Financial Officer's Report on pages 2 to 7 for details of financially significant developments and confirmation of the financial position of the University at year end. External consultancy/adviser fees paid to external parties during the past financial year include legal fees €1.45m, tax and financial advisory €0.86m, marketing €0.03m and other advisory/consultancy services €0.75m.
- (iv) **Government Policy on Pay:** The University is committed to full compliance with the Public Pay Policy and the relevant frameworks under the Universities Act 1997. In any instances of non-compliance, the University engages with the HEA and the Department of Education and Skills to resolve the issue.

Where payment is in excess of the top of the scale, the Departures Framework has been utilised and notified to the HEA with discussions on-going as required. For any cases falling outside of the Departures Framework, discussion with the Department of Education and Skills is pursued, as appropriate. We are compliant with the terms of the Haddington Road, Lansdowne Road and Public Sector Stability agreements and the Financial Emergency Measures in the Public Interest (FEMPI) Act 2015 with respect to pay and increments.

Consolidated Financial Statements Year ended 30 September 2019

The University confirms that no severance payments have been made without the consent of the Department of Education and Skills and that the University has in place arrangements for ensuring that external work undertaken by employees does not impact upon the performance of core contracted duties.

- (v) **Financial Reporting** In regard to financial reporting and related matters, the following is confirmed:
- All appropriate procedures for the production of the annual financial statements are in place.
 - The Finance Committee has three financially experienced external members.
 - The University reports through the annual financial statements, the specific disclosures required by the Trinity Code of Governance with reference to the Code of Governance for Irish Universities 2019.
 - The University confirms that foundations and trusts have been incorporated into the consolidated financial statements of the University.
- (vi) **Internal Audit:** In relation to Internal Audit the following is confirmed:
- (i) All appropriate procedures for internal audit are being carried out and a comprehensive internal audit programme is in place.
 - (ii) An Audit Committee has been in place since 1998 and currently has an independent, external Chairperson, two independent external members, of which one post is currently vacant, and reports annually to the Board. The work of the Committee is supported by an independent internal audit function that reports directly to it.
- (vii) **Procurement:** The University has put in place procurement policies and procedures and all non-pay expenditure is required to be procured in accordance with these policies and procedures. The University recognises the value of procurement and the need for full compliance and continues to minimise the relevant risks.
- i. **Procurement procedures:**
Trinity has maintained a set of approved Procurement Policies & Procedures since 2000. The compliance elements are derived from Government rules and guidelines. An updated version is being prepared at present and will make direct reference to the OGP's 'Public Procurement Guidelines for Goods and Services' Version 2, January 2019 and to the Education Procurement Service (EPS) whenever applicable.
 - ii. **Procurement non-compliance:**
The University confirms that procedures are in place to detect non-compliance with procurement procedures including confirmation that a contracts database/listing for all contracts/payments in excess of €25,000 with monitoring systems is in place to flag non-compliant procurement. All Purchase Requisitions for Goods and Services over €5,000 ex VAT are automatically routed to Procurement for approval. At this point, it can be very quickly determined as to whether an expenditure has been properly tendered and appropriate measures put in place where required. In addition, the expenditure levels per supplier are monitored on a regular basis to check spend-to-date values. This is particularly relevant to cumulative, standalone purchases i.e. where no known non-compliant action is taking place. Finally, the Financial Services Division runs training in Procurement for all staff.
 - iii. **Non-competitive procurement:**
During the year ended 30 September 2019, tenderable expenditure totalled €128 million. Of this, €1.9 million (<1.5% of total expenditure) did not comply with current procurement legislation in relation to public tendering requirements. Non-competitive procurement expenditure of €1.2m was identified during the audit. In addition €0.7m of non-competitive procurement expenditure was identified by the University of which 60% is driven by the delayed development of the Recruitment Services tender which is to be addressed as a matter of priority in 2020. The University continues to work towards full compliance with all relevant guidelines.
 - iv. **Corporate procurement plan (CPP):**
A new 2020-25 Procurement Strategy will be delivered in the first half of 2020. This will build on the 2015-2019 strategy and take account of the new University Strategic Plan to be launched in Q1 2020.
 - v. **Office of Government Procurement:**
The policy of active engagement with all relevant government agencies continues.
- (viii) **Asset Disposals:** Asset disposal is governed by established University procedures. To the best of our knowledge and belief, Trinity confirms that all appropriate procedures for asset disposals are being carried out, and that details of and explanations for the disposals of assets or grants of access to property or infrastructure for commercial arrangements with third parties above the threshold of €150,000 which have not been subject to auction or competitive tendering process, have been provided.

- (ix) **Guidelines for the Appraisal and Management of Capital Projects:** The University has put in place procedures to facilitate compliance with the guidelines for the appraisal and management of Capital Projects issued by the Department of Finance in 2005. In addition, Trinity has put in place special procedures for the approval and monitoring of capital projects under the Capital Review Group which includes in its membership the Bursar/Director of Strategic Initiatives, the Chief Operating Officer and the Chief Financial Officer. A dedicated Project Management Office manages major projects through a series of approval stage gates in order to ensure that all such projects are properly approved and carefully monitored. In addition, for very large projects the Board appoints an Independent Board Monitor whose sole role is to report to the Board. The University adheres to the Capital Works Management Framework, a best practice model overseen by the Government Contracts Committee for Construction.
- (x) **Travel Policy:** The University has a travel policy and associated procedures in place. The policy and procedures are available to all staff on the University website. Training on this policy is included in the HR staff induction training day for new staff members. The policy and procedures have been developed having regard to the requirements of the Department of Finance travel circulars and the requirements of the Revenue Commissioners in relation to employee expenses. Material exceptions are reported to the Finance Committee on a regular basis and appropriate action taken.
- (xi) **Guidelines on Achieving Value for Money in Public Expenditure:** The University has followed the guidelines on achieving value for money in Public Expenditure as set out in the Department of Public Expenditure and Reform Public Spending Code.
- (xii) **Compliance with Tax Laws:** The University is committed to full compliance with taxation laws. Any issues identified during a year are investigated and resolved. The University is fully committed to ensuring that all tax liabilities are paid on the relevant due dates.
- (xiii) **Confidential Disclosure Reporting – Protected Disclosures Act 2014:**
In line with legislation, Trinity have procedures in place for confidential disclosure reporting whereby employees may, in confidence, raise concern about possible irregularities in financial reporting or other matters and for ensuring meaningful follow-up of matters raised in this way.
- A Protected Disclosures Policy for the University was approved by the Board on 22 June 2016 and is published on the University's Policy webpage.
 - Trinity confirms that the annual report required under section 22(1) of the Act has been published.
 - There was one Protected Disclosure received in 2018 which was fully investigated.
- (xiv) **Child Protection:** The University promotes awareness of the Child First Legislation at all times. The Board approved a Child Protection Policy on 29 February 2012 and it is envisaged that a revised policy will be brought through management structures for approval by the end of the current academic year. Specific Child Protection Training is being delivered on a scheduled basis.
- (xv) **Board Fees and Expenses:** No fees are paid to members of the Board.
The external Board members are entitled to Senior Common Room membership fees of €279 per annum. No other expenses were claimed by Board members in the financial year 2018/19.

The Provost was paid a salary of €209,119 in the period 1 October 2018 to 30 September 2019. Pursuant to University Statutes the Provost is required by the terms of his contract of employment to live on campus in the Provost's House. He resides in No. 1 Grafton Street for his 10 year tenure and receives an additional taxable benefit for utilities that are incurred for personal use.
- (xvi) **Subsidiaries and interests in external companies:** We confirm that the Board of Directors of trading subsidiaries include senior College Officers. Each subsidiary company produces financial statements which are independently audited and included in these consolidated financial statements. The subsidiary companies' audited financial statements are presented to Finance Committee and Board.
- (i) The University confirms that any subsidiary of the University (or subsidiary thereof) continues to operate solely for the purpose as approved by the Board, remains and continues to remain in full compliance with the terms and conditions of the consent under which it was approved.
 - (ii) The University confirms that an appropriate code of governance is in place or being developed in respect of trading subsidiaries (i.e. subsidiaries with annual turnover and employees), with annual financial statements provided to the Board and the Board has received a formal report of compliance from the Chairperson of the Board of each subsidiary.
 - (iii) Details of any shareholdings and interests held by the University in related parties are outlined in Note 28 – Related Parties to the financial statements.

(xvii) Data provided to HEA

Trinity confirm that the University has satisfied itself as to both the integrity and robustness of any data on student numbers provided to the HEA for the purpose of calculating and allocating the core grant, and to the integrity and robustness of staff numbers provided to the HEA as required.

(xviii) Intellectual Property (IP) and Conflict of Interest

(i) The University's IP Policy, Practice and Regulations on Intellectual Property 2018 (approved January 2019) is available on the website <https://www.tcd.ie/about/policies/assets/pdf/Intellectual-Property-Policy-2018.pdf>

This IP Policy, Practice and Regulations on Intellectual Property:

- i. Reflects the requirements of the national IP Protocol.
 - ii. Clearly sets out all IP processes and researcher obligations.
 - iii. Includes a clear description of IP commercialisation decision-making processes.
 - iv. Includes a clear dispute resolution process.
 - v. Describes revenue share mechanisms.
 - vi. Describes potential for conflicts of interest and directs researchers to the relevant sections of the HEI's Conflict of Interest Policy.
- (ii) The University confirms that the Board is made aware of all IP commercialisation and IP conflicts of interest on an annual basis. All IP commercialisation (including declarations of interests) is reported to the University through the Director of Trinity, Research and Innovation (TR&I) to the Vice Provost/CAO. Going forward, the 2019 TR&I annual report to the Board shall highlight how conflicts of interest were dispositioned.
- (iii) Details of all commercialisation of intellectual property including spin-out companies are reported quarterly to Knowledge Transfer Ireland/Enterprise Ireland and annually through the Annual Knowledge Transfer Survey (AKTS).

(xix) Board Meetings: Confirmation of the number of Board meetings held during the financial year 2018/19 and the attendance record of members is outlined below.

There were 12 meetings of the Board in the financial year 2018/19, attendance noted below.

Ex-officio members:

Provost (Dr Patrick Prendergast) (12), Vice-Provost/Chief Academic Officer (Professor Chris Morash) (12), Senior Lecturer/Dean of Undergraduate Studies (Professor Kevin Mitchell) (11), Registrar (Professor Paula Murphy) (12), Bursar/Director of Strategic Innovation (Professor Veronica Campbell) (11).

Elected members:

Professor Deirdre Ahern (12), Professor Sarah Alyn Stacey (11), Professor Louis Brennan (11), Professor Andrew Burke (12), Professor Sylvia Draper (8), Ms Stephanie Farrell (9), Dr Darren Fayne (10), Mr David Grouse (11), Mr James Keogh (10), Professor Kathleen McTiernan (11), Professor Rachel Moss (6), Professor Brian O'Connell (4)¹ Professor Eunan O'Halpin (11), Professor Diarmuid R Phelan (10), Professor Aidan Seery (10), Professor Fintan Sheerin (9), Professor Richard Timoney²(2)

External Members:

Ms Jill Donoghue (12)

Student Members:

Ms Aimee Connolly (10), Mr Oisín V Coulter (11), Mr James Cunningham (10), Mr Shane De Rís (11)

Among others, and in addition to the policies mentioned above, the following policies were approved by Board during the financial year 2018/19:

- Fitness to Study Policy
- Fraud Policy
- Meeting Hours Policy
- Risk Management Policy
- Revised Gender Identity and Gender Expression Policy

¹ Professor O'Connell joined Board in February 2019 following the passing of Professor Richard Timoney

² Professor Richard Timoney sadly passed away in December 2018

Consolidated Financial Statements Year ended 30 September 2019

(xx) **Audit Committee Meetings:** Confirmation of the number of Audit Committee meetings held in the financial year 2018/19 and the attendance record of members is outlined below.

There were 7 meetings of the Audit Committee in the financial year 2018/19, attendance noted below.

External Members:

Oliver Cussen (Chair)* (7), Ann Duffy (5) Dermot McCarthy (7).

Members Attendance:

Professor Ruth Byrne (4), Professor Richard Reilly (7), Professor Andrew Burke (6)

* The Chair sadly passed away in October 2019. This position has been filled by Dermot McCarthy since year end.

(xxi) **Finance Committee Meetings:** Confirmation of the number of Finance Committee meetings held in the financial year 2018/19 and attendance record of members is outlined below.

There were 6 meetings of the Finance Committee in the financial year 2018/19, attendance noted below.

Members Attendance:

Provost (Dr Patrick Prendergast) (Chair) (6), Vice-Provost/Chief Academic Officer (Professor Chris Morash) (6), Chief Financial Officer (Mr Peter Reynolds)* (4), Chief Operating Officer (Ms Geraldine Ruane) (5), Bursar/Director of Strategic Innovation (Professor Veronica Campbell) (6), Registrar (Professor Paula Murphy) (4), Professor Sarah Alyn Stacey (5), Students Union President (Mr Shane De Rís) (6), Dean of Engineering, Mathematics and Sciences (Professor Vinny Cahill) (5).

External Members:

Ms. Caroline Curtis (5), Mr. Liam Kavanagh (4).

In Attendance

Deputy Chief Financial Officer (Ms. Louise Ryan) (5), Director of Financial Planning and Risk Management (Deirdre Savage) (5), GSU President (Mr Oisín V Coulter) (5).

*Chief Financial Officer Peter Reynolds was appointed January 2019 as Interim Chief Financial Officer and subsequently appointed Chief Financial Officer in January 2020, Ian Mathews resigned as Chief Financial Officer December 2018 and had attended 2 meetings.

(xxii) **Review of Board performance:** A self-evaluation process of the Board was conducted in 2018. A Board Review working group, which includes two external members, one of whom is Chair, has been established and is considering the recommendations of the review and the recently announced proposals for changes to legislation relating to the third level education sector.

On behalf of Trinity College Dublin, the University of Dublin

DR PATRICK PRENDERGAST
PROVOST

PETER REYNOLDS
CHIEF FINANCIAL OFFICER

25 March 2020

Independent Auditor's Report to the Board of Trinity College Dublin, the University of Dublin

1. Report on the audit of the financial statements

Qualified opinion

We have audited the Consolidated and University financial statements ("financial statements") of Trinity College Dublin, the University of Dublin for the year ended 30 September 2019 on pages 19 to 49 which comprise the consolidated and University statements of comprehensive income, consolidated and University statements of changes in reserves, consolidated and University statements of financial position, consolidated statement of cashflows and the related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish law and FRS 102 "The Financial Reporting Standard applicable in the UK and Ireland".

In our opinion, except for the financial effect of the recognition of the receivable from the State referred to in the *Basis For Qualified Opinion* paragraphs below, the Consolidated and University financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Group and University as at 30 September 2019 and of the surplus of the Group and the deficit of University for the year then ended; and
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Ireland".

Basis for qualified opinion

As more fully explained in Note 29 to the financial statements, an asset representing a receivable from the State, equivalent to the value of the University's retirement benefit obligations in relation to its defined benefit retirement benefit schemes, has been recognised in the University's financial statements (and an equivalent amount recognised in the income and expenditure reserve) on the basis that the Board considers the University's retirement benefit liabilities to have been guaranteed by the State. In addition, gains or losses matching the movements in these retirement benefit liabilities during the year have been recorded in the Statement of Comprehensive Income for the year.

In our opinion, while the enactment in June 2009 of the Financial Measures (Miscellaneous Provisions) Act 2009, and the resulting Transfer Order dated 31 December 2009, and the enactment of the Public Service Pensions (Single Scheme and Other Provisions) Act 2012, caused the State to assume responsibility for any shortfall in funding arising in the Master Pension scheme operated by the University and in the Single Public Service Pension Scheme, such legislation did not specifically cover the Model and Pension Supplementation defined benefit retirement benefit schemes operated by the University. In the absence of the State's formal acceptance of the obligation to fund deficits in the University's Model and Pension Supplementation defined benefit retirement benefit schemes, it is not in our view, appropriate to recognise the retirement benefit receivable pertaining to the deficits on those schemes in the Consolidated and University statements of financial position at 30 September 2019 and 30 September 2018.

In our opinion, the treatment adopted is not in accordance with the requirements of FRS 102 Section 21 "Provisions and Contingencies" as the receivable pertaining to the Model and Pension Supplementation defined benefit retirement benefit schemes remains contingent in nature until the State formally accepts the obligation.

Accordingly, (i) the retirement benefit receivable asset, net assets and income and expenditure - unrestricted reserve in the Consolidated and University statements of financial position at 30 September 2019 should be reduced by €702,640,000 and (ii) the total comprehensive income/(loss) in the Consolidated Statement of Comprehensive Income for the year ended 30 September 2019 should be restated to a loss of €78,672,000.

Also, in relation to the prior year (i) the retirement benefit receivable asset, net assets and income and expenditure - unrestricted reserve in the Consolidated and University statements of financial position at 30 September 2018 should be reduced by €623,838,000 and (ii) the total comprehensive income/(loss) in the Consolidated Statement of Comprehensive Income for the year ended 30 September 2018 should be restated to a loss of €4,901,000.

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

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

We have nothing to report on going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Other information

The Board is responsible for the other information presented in the financial statements. The other information comprises the information included in the Chief Financial Officer's Report, the Statement of Responsibilities, the Statement of Governance and Internal Control, and the statement on Management of and accountability for grants from Exchequer funds, and is information other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we report that except for the consequential effects of the matter described in the *Basis for Qualified Opinion* section of our report we have not identified material misstatements in the other information.

Other matters on which we are required to report under the terms of our agreement

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

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

In our opinion the information given in the Chief Financial Officer's Report is consistent with the financial statements.

Under the Code of Governance for Irish Universities, we are required to report to you if the statement regarding governance and the system of internal financial control, as included in the Statement of Governance and Internal Control on pages 9 to 15, is not consistent with the information of which we are aware from our audit work on the financial statements, and we report if it does not. We have nothing to report in this regard.

2. Respective responsibilities and restrictions on use

Responsibilities of the Board for the financial statements

As explained more fully in the Statement of Responsibilities set out on page 8, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

A fuller description of our responsibilities is provided on IAASA's website at https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf

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

Our report is made solely to the members of the Board, as a body, in accordance with University Statute. Our audit work has been undertaken so that we might state to the Board those matters we are required to state to it 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 University and the Board as a body, for our audit work, for this report, or for the opinions we have formed.

Cliona Mullen
For and on behalf of
KPMG
Chartered Accountants, Statutory Audit Firm
1 Stokes Place
St. Stephen's Green
Dublin 2

25 March 2020

Statement of Comprehensive Income

	Notes	Year ended 30 Sep 2019		Year ended 30 Sep 2018	
		Consolidated €'000	University €'000	Consolidated €'000	University €'000
Income					
State grants	2	50,363	50,363	48,660	48,660
Academic fees	3	153,140	150,283	148,950	146,244
Research grants and contracts	4	101,410	101,410	99,680	99,680
Other income	5	64,250	65,622	59,846	63,957
Investment income	6	7,092	7,103	7,048	7,060
Amortisation of capital grants	21	7,424	7,424	8,751	8,751
Total income before donations and endowments		383,679	382,205	372,935	374,352
Donations and endowments	7	20,480	13,408	14,974	16,389
Total income		404,159	395,613	387,909	390,741
Expenditure					
Staff costs	8	271,467	266,785	263,048	258,707
Other operating expenses	9	111,402	115,613	102,481	106,710
Interest and other finance costs	10	4,230	4,228	3,936	3,936
Depreciation	12	24,236	24,191	24,587	24,564
Total expenditure		411,335	410,817	394,052	393,917
Deficit before other gains and losses		(7,176)	(15,204)	(6,143)	(3,176)
Gain/(loss) on revaluation of investment properties	14	920	920	(285)	(285)
Gain on investments	17/22	12,152	12,064	7,436	7,350
Surplus/(deficit) before tax		5,896	(2,220)	1,008	3,889
Taxation	11	(183)	-	(125)	-
Surplus/(deficit) for the year		5,713	(2,220)	883	3,889
Actuarial gain in respect of retirement benefit	29	42,790	42,790	42,974	42,974
Movement on retirement benefit receivable	29	(42,790)	(42,790)	(42,974)	(42,974)
Total comprehensive income/(loss) for the year		5,713	(2,220)	883	3,889
Represented by:					
Endowment comprehensive income for the year	22	14,491	14,491	12,727	12,727
Restricted comprehensive income/(loss)	23	5,681	(215)	(6,855)	(237)
Unrestricted comprehensive loss		(14,459)	(16,496)	(4,989)	(8,601)
Total comprehensive income/(loss) for the year		5,713	(2,220)	883	3,889

All items of income and expenditure relate to continuing activities.

Consolidated and University Statement of Changes in Reserves

Consolidated	Income and expenditure reserve			Revaluation	Total
	Endowment	Restricted	Unrestricted	Reserve	
	€'000	€'000	€'000	€'000	€'000
Balance at 30 September 2017	188,560	16,821	87,859	517,993	811,233
Surplus/(deficit) from the income and expenditure statement	12,727	9,613	(21,457)	-	883
Release of restricted funds spent in year	-	(16,468)	16,468	-	-
Total comprehensive income/(loss) for the year	12,727	(6,855)	(4,989)	-	883
Balance at 30 September 2018	201,287	9,966	82,870	517,993	812,116
Surplus/(deficit) from the income and expenditure statement	14,491	16,266	(25,044)	-	5,713
Release of restricted funds spent in year	-	(10,585)	10,585	-	-
Total comprehensive income/(loss) for the year	14,491	5,681	(14,459)	-	5,713
Balance at 30 September 2019	215,778	15,647	68,411	517,993	817,829

University	Income and expenditure reserve			Revaluation	Total
	Endowment	Restricted	Unrestricted	Reserve	
	€'000	€'000	€'000	€'000	€'000
Balance at 30 September 2017	188,560	452	83,236	517,993	790,241
Surplus/(deficit) from the income and expenditure statement	12,727	-	(8,838)	-	3,889
Release of restricted funds spent in year	-	(237)	237	-	-
Total comprehensive income/(loss) for the year	12,727	(237)	(8,601)	-	3,889
Balance at 30 September 2018	201,287	215	74,635	517,993	794,130
Surplus/(deficit) from the income and expenditure statement	14,491	-	(16,711)	-	(2,220)
Release of restricted funds spent in year	-	(215)	215	-	-
Total comprehensive income/(loss) for the year	14,491	(215)	(16,496)	-	(2,220)
Balance at 30 September 2019	215,778	-	58,139	517,993	791,910

Consolidated Financial Statements Year ended 30 September 2019

Statement of Financial Position

	Note	As at 30 Sep 2019		As at 30 Sep 2018	
		Consolidated €'000	University €'000	Consolidated €'000	University €'000
Non-current assets					
Tangible fixed assets	12	1,028,748	1,028,694	991,553	991,458
Endowment assets	13	208,795	208,795	168,015	168,015
Investment property	14	46,650	46,650	45,730	45,730
		1,284,193	1,284,139	1,205,298	1,205,203
Current assets					
Trade and other receivables	15	69,163	69,090	79,680	82,816
Inventories	16	722	708	569	555
Investments	17	17,464	15,393	32,150	30,167
Cash and cash equivalents	25	181,694	156,169	155,171	135,014
		269,043	241,360	267,570	248,552
Less: Payables – amounts falling due within one year	18	(239,539)	(239,280)	(219,402)	(219,167)
Net current assets		29,504	2,080	48,168	29,385
Total assets less current liabilities		1,313,697	1,286,219	1,253,466	1,234,588
Payables – amounts falling due after more than one year	19	(495,868)	(494,309)	(441,350)	(440,458)
Provisions					
Retirement benefit provisions	29	(2,002,335)	(2,002,335)	(1,674,748)	(1,674,748)
Non-current retirement benefit receivable	29	2,002,335	2,002,335	1,674,748	1,674,748
Total net assets		817,829	791,910	812,116	794,130
Restricted reserves					
Income and expenditure – endowment	22	215,778	215,778	201,287	201,287
Income and expenditure – restricted	23	15,647	-	9,966	215
Unrestricted reserves					
Income and expenditure – unrestricted		68,411	58,139	82,870	74,635
Revaluation reserve	24	517,993	517,993	517,993	517,993
Total reserves		817,829	791,910	812,116	794,130

The financial statements on pages 19 to 49 were approved by the Board of the University on 25 March 2020 and signed on its behalf by:

DR PATRICK PRENDERGAST
PROVOST

PETER REYNOLDS
CHIEF FINANCIAL OFFICER

25 March 2020



Consolidated Financial Statements Year ended 30 September 2019

Consolidated Statement of Cashflows

	Note	2019 €'000	2018 €'000
Cashflow from operating activities			
Surplus for the year		5,713	883
Adjustment for non-cash items			
Depreciation	12	24,236	24,587
Amortisation of deferred capital grants	21	(7,424)	(8,751)
(Gain)/loss on revaluation of investment properties	14	(920)	285
Gain on investments	17/22	(12,152)	(7,436)
Adjustment for working capital items			
(Increase)/decrease in inventories		(153)	30
Decrease/(increase) in receivables		9,304	(14,580)
Increase in payables		18,387	8,002
Adjustment for investing or financing activities			
Investment income	6	(7,092)	(7,048)
Interest payable	10	4,230	3,936
New endowments received	22	(460)	(3,341)
Net cash inflow/(outflow) from operating activities		33,669	(3,433)
Cashflows from investing activities			
Capital grants received		2,484	6,907
Investment income		7,092	7,048
Disposals of non-current asset investments		-	43,638
Payments made to acquire non-current asset investments		(28,925)	(15,930)
Payments made to acquire fixed assets		(60,408)	(66,493)
Transfers from deposits		14,983	-
New endowment cash received		460	3,341
Net cash outflow from investing activities		(64,314)	(21,489)
Cashflows from financing activities			
Interest paid		(1,802)	(1,597)
Capital element of finance lease rental payments		(628)	(444)
Interest element of finance lease rental payments	10	(3,452)	(3,481)
Loan repayments		(950)	-
New unsecured loans drawn down		64,000	-
Net cash inflow/(outflow) from financing activities		57,168	(5,522)
Increase/(decrease) in cash and cash equivalents in the year		26,523	(30,444)
Cash and cash equivalents at beginning of the year	25	155,171	185,615
Cash and cash equivalents at end of the year	25	181,694	155,171



Notes to the Consolidated Financial Statements

1. Statement of Accounting Policies

Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 102 – FRS 102 and the Statement of Recommended Practice (“SORP”) - Accounting for Further and Higher Education (2015), issued by the HE/FE SORP Board in the UK, which has been voluntarily adopted by the University. The University is a public benefit entity and therefore has applied the relevant public benefit requirement of the applicable accounting standards.

Accounting convention

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain land and buildings and endowment assets which are reported at their fair value.

Basis of consolidation

The consolidated financial statements of the Group include the University and its subsidiary undertakings (as defined by the SORP) Ghala Designated Activity Company, Trinity Online Services Company Limited By Guarantee, Trinity Brand Commercial Services Limited, Trinity Asia Services Pte. Limited, Trinity Foundation, Trinity Education Endowment Fund and Trinity College Dublin Trust, Trinity College Dublin Association, and University of Dublin Fund. The Trinity Endowment Fund is accounted for within the University’s individual financial statements in accordance with the SORP. Other undertakings in which the University has an interest, as indicated in Note 28, have not been consolidated on the basis that they are not controlled by the University or on the grounds of immateriality. Intra-Group income and expenditure are eliminated fully on consolidation.

The financial statements of the Pension Funds and Capitated Bodies have not been consolidated as they are not controlled by the University.

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 and other government 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.

Academic fee income is recognised on the accruals basis evenly over a year from the commencement of the academic year which is the first day of Michaelmas term each year. As the Michaelmas term generally commences in late August the financial year reflects elements of academic fees relating to two separate academic years.

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.

Income from concession agreements is treated as deferred income and credited to the Statement of Comprehensive Income in accordance with the right to consideration earned per the contractual terms.

Donations and endowments

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

1. Restricted donations

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

2. Unrestricted permanent endowments

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

3. Restricted expendable endowments

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

4. Restricted permanent endowments

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



Notes to the consolidated financial statements

Statement of Accounting Policies (cont'd)

Non exchange transactions without performance-related conditions are donations and endowments. Donations and endowments with donor-imposed restrictions are recognised within the consolidated Statement of Comprehensive Income when the University is entitled to the funds. Income is retained within the restricted reserve until such time it is utilised in line with such restrictions at which point the income is released to unrestricted reserves through a reserve transfer. Donations with no restrictions are recorded within the consolidated Statement of Comprehensive Income when received or receivable.

Accounting estimates and judgements

In the preparation of the financial statements various estimates, judgements and assumptions have been made that impact on amounts reported as assets, liabilities, income and expenditure. Estimates and assumptions used are reviewed on an ongoing basis.

The principal estimates, judgements and assumptions used in the financial statements for the year ended 30 September 2019 are as follows:

1. Pension Provisions

The pension provision is calculated based on actuarial assumptions provided by an actuary annually. The actuarial assumptions include discount rates, salary increases, pension increases and inflation rates.

2. Property, Plant and Equipment

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

3. Investment Property

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

4. Impairments

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

5. Recoverability of Debtors

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

6. Employee Benefits

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

Tangible fixed assets

1. Land and buildings

The University revalued its land on a fair value basis as at 1 October 2014 (the transition date to FRS102) and the revised values are now used as the deemed cost of land. Land is not depreciated.

The University's buildings were valued by the Board of the University in 1998 at a standard cost of €2,413 per square metre. Buildings acquired since their valuation are included in the Statement of Financial Position at cost less accumulated depreciation. Buildings are depreciated over their expected useful economic life to the University of between 25 and 87 years. In 2017 an external professional property valuer completed a review of the remaining useful lives of a number of significant buildings. They considered the expected economic life over which the buildings are to be used by the University and also noted that the buildings were primarily used for either academic, educational or research use or associated uses including student accommodation.

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

For building assets completed after 1 October 2018, property components are identified, capitalised and depreciated over their estimated service lives. Such buildings are depreciated on a straight line basis over their expected useful lives as follows:

Building structure	80 years
Electrical Services	20 years
Mechanical Services	20 years

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



Notes to the consolidated financial statements

Statement of Accounting Policies (cont'd)

2. Fixtures and fittings and equipment

Equipment costing less than €10,000 per individual item is written off to the Statement of Comprehensive Income 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
Fixtures and Fittings	10 years
Other Equipment	5 years
Computer software	5 years
Computer equipment	3 years

Where equipment is acquired with the aid of specific government 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 Statement of Comprehensive Income over the expected useful economic life of the related equipment. The cost of routine corrective maintenance is charged to the Statement of Comprehensive Income in the period that it is incurred.

Heritage assets

The University holds and maintains certain heritage assets, such as paintings, silver, sculptures and priceless manuscripts. The University conserves these assets for research and teaching and for interaction between the University and the public.

Heritage assets acquired pre 1 October 2006 are not capitalised in the financial statements because it is considered that no meaningful value can be attributed to them owing to the lack of information on the original purchase cost and the fact that these assets are not readily realisable. All costs incurred in relation to preservation and conservation are expensed as incurred.

Heritage assets acquired subsequent to 1 October 2006 which are not held for the core purpose of teaching and research are capitalised at either their cost in the case of acquisitions made by the University or their fair value in the case of donations. Heritage assets valued at €150,000 or less are not capitalised in the financial statements.

Investment properties

Investment properties are measured initially at cost and subsequently at fair value with movements recognised in the Statement of Comprehensive Income. Investment properties are revalued annually by independent professional valuers and are not depreciated or amortised.

Investments

Investments are stated at the following valuations:

Quoted investments are stated at market value based on prices ruling at the year-end date. Unit trusts are stated at net asset value quoted by the investment managers at the year-end date. Investments which are held in managed funds and unit linked funds are stated at bid prices at the year-end date. The market values of investments denominated in foreign currency are converted to euro using the rates of exchange ruling at the year-end date.

Changes to the market value of endowment investments are reported in the Statement of Comprehensive Income as gains or losses on investments.

Other financial investments are stated at market value and are disclosed under non-current or current assets depending on portfolio liquidity.

Inventories

Inventories are stated at the lower of their cost and net realisable value on a first in first out basis. Where necessary, provision is made for obsolete, slow moving and defective inventory. Expenditure incurred by the University on books and consumable inventories financed from recurrent grants is charged to the Statement of Comprehensive Income.

Taxation

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

Certain commercial activities undertaken by the University are administered through a number of its subsidiary companies, which are liable to corporation tax.



Notes to the consolidated financial statements

Statement of Accounting Policies (cont'd)

In subsidiary companies, who do not hold a charitable status and are therefore liable to corporate tax, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Provision is made at the rates expected to apply when the timing differences reverse. Timing differences are differences between taxable profits and results as stated in the financial statements that arise from the inclusion of gains and losses in taxable profits in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and, therefore, recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference can be deducted.

Provisions, contingent liabilities and contingent assets

Provisions are recognised in the financial statements when:

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

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

Contingent liabilities arise from a past event that gives the University a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the University. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resource will be required or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the University a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the University.

Contingent assets and liabilities are not recognised in the Statement of Financial Position but are disclosed in the notes when required.

Finance leases

Leases in which the University assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance lease. Assets held under finance leases are depreciated over the useful life of the related asset if there is reasonable certainty that the University will obtain ownership by the end of the lease term. Otherwise they are depreciated over the shorter of the lease term and the useful life.

Initially where scheduled payments are less than the interest charge for the year, the unpaid element of interest is added to the outstanding lease obligation. Otherwise, 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 Statement of Comprehensive Income in proportion to the reducing capital element outstanding.

Operating leases

Rental costs and income in respect of operating leases are charged to the Statement of Comprehensive Income in equal annual amounts over the period of the lease.

Financial instruments

Cash includes cash in hand, deposits repayable on demand and overdrafts.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value. A deposit qualifies as a cash equivalent when it has maturity of 3 months or less from the date of acquisition. Other deposits with longer maturities are classified as investments.

The University has received concessionary loans from the European Investment Bank to fund its ongoing capital investment programme. Concessionary loans are loans made or received between a Public Benefit Entity (PBE) and a third party at below the prevailing market rate of interest that are not payable on demand. In accordance with FRS 102 section 34, the loans are initially measured at the amount received and adjusted to reflect any accrued interest and/or repayment of capital.



Notes to the consolidated financial statements

Statement of Accounting Policies (cont'd)

Retirement benefits

The University has certain defined benefit retirement benefit arrangements as detailed in Note 29.

Trinity Foundation operates a defined contribution scheme. The amount charged to the Statement of Comprehensive Income represents the contribution payable to the scheme in respect of the accounting period.

Retirement benefit costs

For defined benefit retirement schemes, the difference between the market value of the scheme's assets (if any) and the actuarially assessed present value of the scheme's liabilities, calculated using the projected unit credit method, is disclosed in the Statement of Financial Position.

The amount charged to the Statement of Comprehensive Income is the actuarially determined cost of retirement benefits promised to employees earned during the year plus any benefit improvements granted to members during the year.

The expected return on the retirement benefit scheme's assets (if any) during the year and the increase in the scheme's liabilities due to the unwinding of the discount during the year are shown as financing costs or investment income in the Statement of Comprehensive Income.

Any difference between the expected return on assets (if any) and that actually achieved and any changes in the liabilities due to changes in assumptions or because actual experience during the year was different to that assumed are recognised as actuarial gains and losses in the Statement of Comprehensive Income.

Retirement benefit receivable asset

Although the Financial Measures (Miscellaneous Provisions) Act 2009 relates specifically to the Master Pension Scheme, and the Public Service Pensions (Single Scheme and Other Provisions) Act 2012 relates specifically to the Single Public Service Pension Scheme, as further detailed in Note 29, the University is of the opinion that the State would also be meeting future retirement benefit liabilities for the Model Scheme and Pension Supplementation on a pay-as-you-go basis. Under FRS 102, if an entity is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the entity shall recognise its right to reimbursement as an asset. An entity shall treat those assets in the same way as plan assets. As a result, the financial statements reflect a receivable asset which completely offsets the retirement benefit liability. Movements on this retirement benefit receivable are included in the Statement of Comprehensive Income in order to mirror the underlying movement on the retirement benefit liability.

Reserves

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which, through endowment to the University, are held as a permanently restricted fund as the University must hold the fund to perpetuity. Other restricted reserves include balances through which the donor or funder has designated a specific purpose and therefore the University is restricted in the use of these funds.

Notes to the Consolidated Financial Statements

2. State grants

	Consolidated 2019 €'000	University 2019 €'000	Consolidated 2018 €'000	University 2018 €'000
Recurrent grants				
State grants	50,363	50,363	48,660	48,660
Reconciliation of grant received to income recognised				
Received in respect of current year	56,411	56,411	45,234	45,234
Deferred from prior accounting year	(1,639)	(1,639)	1,787	1,787
Deferred to subsequent accounting years	(4,409)	(4,409)	-	-
Receivable at year end	-	-	1,639	1,639
Total	50,363	50,363	48,660	48,660

3. Academic fees

	Consolidated 2019 €'000	University 2019 €'000	Consolidated 2018 €'000	University 2018 €'000
Academic fee income	148,040	145,183	144,146	141,440
Other academic fee income*	2,679	2,679	2,983	2,983
Miscellaneous fee income**	2,421	2,421	1,821	1,821
Total	153,140	150,283	148,950	146,244

*Other academic fee income consists of income from student levies.

** Miscellaneous fee income consists of income from short courses.

The academic fee income is analysed as follows:

Undergraduate EU	71,732	71,732	72,551	72,551
Undergraduate Non-EU	31,518	28,661	30,567	27,861
Postgraduate Research EU	6,782	6,782	7,721	7,721
Postgraduate Research Non-EU	2,900	2,900	3,775	3,775
Postgraduate Taught EU	16,737	16,737	16,293	16,293
Postgraduate Taught Non-EU	18,371	18,371	13,239	13,239
Total	148,040	145,183	144,146	141,440

A total of €38,041,562 (2018: €37,690,597) included in academic fee income was paid directly by the Higher Education Authority (HEA). This includes nursing fees of €4,017,720 (2018: €3,832,951).

4. Research grants and contracts

	Consolidated 2019 €'000	University 2019 €'000	Consolidated 2018 €'000	University 2018 €'000
State and semi-state	56,699	56,699	57,516	57,516
European Union	19,522	19,522	18,377	18,377
Industry	5,411	5,411	4,102	4,102
SFI overheads	7,765	7,765	7,987	7,987
Other	12,013	12,013	11,698	11,698
Total	101,410	101,410	99,680	99,680

Notes to the Consolidated Financial Statements

5. Other Income

	Consolidated 2019 €'000	University 2019 €'000	Consolidated 2018 €'000	University 2018 €'000
Academic schools and faculty offices income	3,972	8,259	3,429	7,205
Service areas	5,500	5,509	3,450	3,455
Catering	2,665	2,665	2,704	2,704
Residences income	12,866	12,866	13,034	13,034
Other ancillary services	1,842	1,912	1,508	1,554
Rental income	7,072	7,072	7,163	7,163
Library income	18,334	18,334	16,525	16,525
Concession income	4,125	4,125	4,125	4,125
Non-academic other activities	4,457	2,344	4,667	4,952
Science Gallery	592	592	1,464	1,464
Other income	2,825	1,944	1,777	1,776
Total	64,250	65,622	59,846	63,957

6. Investment income

	Consolidated 2019 €'000	University 2019 €'000	Consolidated 2018 €'000	University 2018 €'000
Interest income	70	81	67	79
Income from permanent endowments	6,823	6,823	6,758	6,758
Income from expendable endowments	199	199	223	223
Total	7,092	7,103	7,048	7,060

7. Donations and endowments

	Consolidated 2019 €'000	University 2019 €'000	Consolidated 2018 €'000	University 2018 €'000
Unrestricted donations	3,754	12,948	2,020	13,048
Donations with restrictions	16,266	-	9,613	-
New endowments	460	460	3,341	3,341
Total	20,480	13,408	14,974	16,389

8. Staff costs

	Consolidated 2019 €'000	University 2019 €'000	Consolidated 2018 €'000	University 2018 €'000
Wages and salaries	227,200	223,106	218,604	214,804
Social security costs	19,637	19,256	18,183	17,976
Other retirement benefit costs	24,630	24,423	26,261	25,927
Total	271,467	266,785	263,048	258,707

Severance/termination payments (including statutory redundancy) amounted to €293k (2018: €770k). Payments with an aggregate value in excess of €10,000 amounted to €50k (2018: €427k).

Key management compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University. The University's "key management personnel" are members of the senior management team who form the Executive Officer Group. The total remuneration for key management personnel for the year 2019 amounted to €2.3m (2018: €2.3m). Key management personnel are members of the University's defined benefit retirement schemes and their entitlements in that regard do not extend beyond the terms of those schemes.

Notes to the Consolidated Financial Statements

8. Staff costs (cont'd)

Higher paid staff

The University has adopted a starting value of €60,000 to identify higher paid staff. Staff remuneration (including royalty payments from Non-Exchequer sources), in salary bands of €10,000 was as follows:

Salary Bands	Consolidated 2019 Number of employees	University 2019 Number of employees	Consolidated 2018 Number of employees	University 2018 Number of employees
€60,000 – €69,999	177	175	159	157
€70,000 – €79,999	243	239	258	254
€80,000 – €89,999	218	215	274	270
€90,000 – €99,999	211	210	121	118
€100,000 – €109,999	65	61	72	71
€110,000 – €119,999	64	64	55	54
€120,000 – €129,999	18	17	13	10
€130,000 – €139,999	8	7	32	32
€140,000 – €149,999	63	63	34	34
€150,000 – €159,999	5	3	2	1
€160,000 – €169,999	2	2	5	5
€170,000 – €179,999	3	3	2	2
€180,000 – €189,999	1	1	3	3
€190,000 – €199,999	4	4	7	7
€200,000 – €210,000	3	3	2	2
€210,000 – €220,000	1	1	3	3
€220,000 – €230,000	2	2	4	4
€230,000 – €240,000	2	2	6	6
€240,000 – €250,000	1	1	1	1
€250,000 – €260,000	3	3	-	-
€260,000 – €270,000	1	1	1	1
€270,000 – €280,000	1	1	1	1
€280,000 – €290,000	5	5	-	-
€300,000 – €310,000	3	3	-	-
€310,000 – €320,000	1	1	-	-
€330,000 – €340,000	1	1	-	-
€360,000 – €370,000	1	1	-	-
Total	1,107	1,089	1,055	1,036

The average weekly number of individuals (including senior post-holders) employed by the University during the year, expressed as full-time equivalents, was:

	Consolidated 2019 FTE	University 2019 FTE	Consolidated 2018 FTE	University 2018 FTE
Teaching and Research	2,345	2,345	2,331	2,331
Technical	134	134	137	137
Support services	1,191	1,191	1,135	1,135
Other	879	814	834	780
Total	4,549	4,484	4,437	4,383

Notes to the Consolidated Financial Statements

9. Other operating expenses

	Consolidated 2019 €'000	University 2019 €'000	Consolidated 2018 €'000	University 2018 €'000
Telephone and related communications	671	657	599	599
Consumables	11,646	11,626	11,159	11,230
Cost of goods sold	4,065	3,998	4,120	4,120
Computer and other equipment	11,053	10,915	8,699	8,615
Heat, light, water and power	7,289	7,289	7,694	7,694
Books and periodicals, printing & stationery	5,015	4,934	5,065	5,064
Repairs and general maintenance	4,483	4,482	4,829	4,829
Insurance	1,637	1,626	1,530	1,529
Professional services	9,307	9,462	7,599	8,421
Rent, rates & property tax	3,877	3,811	3,993	3,993
Travel and subsistence	6,854	6,654	6,029	6,027
Hospitality and entertainment	1,329	1,121	1,032	1,032
Recruitment	2,832	2,769	1,607	1,606
Capitation	1,186	1,186	1,151	1,151
Scholars and Fellows costs	653	653	480	480
Student related costs and awards	10,440	10,438	8,505	8,505
Employee related costs	2,804	2,720	2,463	2,435
Advertising & PR costs	2,329	2,059	1,748	1,810
Bank charges	891	871	784	774
Quality & Risk assessment	344	344	329	329
Service contracts	12,657	12,647	11,488	11,479
Subscriptions & Membership fees	2,362	2,303	2,098	2,098
Endowment fund direct expenditure	1,042	1,042	1,100	1,100
Other expenses	6,636	12,006	8,380	11,790
Total	111,402	115,613	102,481	106,710

Other operating expenses include:

	Consolidated 2019 €'000	University 2019 €'000	Consolidated 2018 €'000	University 2018 €'000
Auditor's remuneration (including VAT)	194	154	246	207
C&AG Auditor fee	44	44	36	36
Total	238	198	282	243

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

10. Interest and other finance costs

	Consolidated 2019 €'000	University 2019 €'000	Consolidated 2018 €'000	University 2018 €'000
Loan interest	1,802	1,800	1,597	1,597
Loan interest capitalised	(1,024)	(1,024)	(1,142)	(1,142)
Finance lease interest	3,452	3,452	3,481	3,481
Total	4,230	4,228	3,936	3,936



Notes to the Consolidated Financial Statements

11. Taxation

There is no corporation tax charge for the University and its charitable subsidiaries in the current year as they have tax-exempt status.

Corporation tax arises in the current year on profits earned by the University's subsidiary Trinity Asia Services Pte. Limited. This tax of €183,000 (2018: €125,000) on profits of a foreign subsidiary is payable to the Singapore taxation authorities.

Notes to the Consolidated Financial Statements

12. Tangible fixed assets

	Land and Buildings	Fixtures and Fittings	Computer Equipment	Other Equipment	Total
Consolidated	€'000	€'000	€'000	€'000	€'000
Cost or valuation					
At 1 October 2018	1,226,735	23,903	22,478	199,964	1,473,080
Additions	31,649	18,021	217	11,545	61,432
Disposals	-	-	(625)	(2,510)	(3,135)
At 30 September 2019	1,258,384	41,924	22,070	208,999	1,531,377
Depreciation					
At 1 October 2018	275,515	3,682	21,350	180,980	481,527
Depreciation for year	14,116	2,773	663	6,684	24,236
Disposals	-	-	(624)	(2,510)	(3,134)
At 30 September 2019	289,631	6,455	21,389	185,154	502,629
Net book value					
At 30 September 2018	951,220	20,221	1,128	18,984	991,553
At 30 September 2019	968,753	35,469	681	23,845	1,028,748

	Land and Buildings	Fixtures and Fittings	Computer Equipment	Other Equipment	Total
University	€'000	€'000	€'000	€'000	€'000
Cost or valuation					
At 1 October 2018	1,226,735	23,901	21,872	199,938	1,472,446
Additions	31,649	18,021	213	11,545	61,428
Disposals	-	-	(42)	(2,510)	(2,552)
At 30 September 2019	1,258,384	41,922	22,043	208,973	1,531,322
Depreciation					
At 1 October 2018	275,515	3,680	20,813	180,981	480,989
Depreciation for year	14,116	2,773	618	6,684	24,191
Disposals	-	-	(42)	(2,510)	(2,552)
At 30 September 2019	289,631	6,453	21,389	185,155	502,628
Net book value					
At 30 September 2018	951,220	20,221	1,059	18,958	991,458
At 30 September 2019	968,753	35,469	654	23,818	1,028,694

Notes to the Consolidated Financial Statements

12. Tangible fixed assets (cont'd)

The University revalued its land on a fair value basis as at 1 October 2014, taking advantage of the transitional provisions of FRS 102. The University appointed GVA Donal O Buachalla, an independent external valuer, regulated by the Royal Institution of Chartered Surveyors. The valuation was performed in accordance with the RICS Valuation – Professional Standards April 2015. At 30 September 2019, land and buildings included €203m in respect of land which is not depreciated (at 30 September 2018: €203m).

Land and buildings include buildings valued by the Board of the University in 1998 at a standard cost of €2,413 per square metre amounting to €330m, as adjusted for subsequent additions, disposals, depreciation and impairment.

Land and buildings include assets in the course of construction at 30 September 2019 of €51.7m (at 30 September 2018: €79.1m).

The University has included in land and buildings a building for which the related liabilities of €57.8m (at 30 September 2018: €58.5m) are included in payables (see notes 18/19). The net book value of this building was €50.5m at 30 September 2019 (at 30 September 2018: €51.4m).

An annual impairment review of building assets is undertaken within the University to identify assets showing signs of impairment. The Anatomy annexe and Zoology accretions were required to have accelerated depreciation charges in the current financial year as a result of this review due to a revision of their estimated useful lives.

Included in land and buildings is an apartment; 46 Winter Gardens, Pearse Street, Dublin 2, donated to the University during the year, which was valued by an external valuer at €0.28m.

Included within additions are capitalised borrowing costs of €1.0m relating to loans specifically funding the development of the Trinity Business School, Printing House Square student residences, the E3 Learning Foundry and Dartry student accommodation projects.

Heritage Assets

The University holds and maintains certain heritage assets such as paintings, silver, sculptures and priceless manuscripts. The University conserves these assets for research, teaching and for interaction between the University and the public. Heritage assets acquired pre 1 October 2006 are not capitalised in the financial statements because it is considered that no meaningful value can be attributed to them owing to the lack of information on the original purchase cost and the fact that these assets are not readily realisable. All costs incurred in relation to preservation and conservation are expensed as incurred. Key heritage assets held by the University fall into the categories detailed below.

Library:

The University Library has over 5 million printed volumes with extensive collections of journals, manuscripts, maps and music reflecting over 400 years of academic development. The Library displays a rare collection of ancient books and manuscripts, including the Book of Kells which has been on display in the Old Library from the mid 19th century. The Library has an online presence at www.tcd.ie/Library. This includes links to preservation and conservation, catalogue information and exhibitions and events.

Museums:

Departmental collections contain over 200,000 specimens of rocks, minerals, fossils, meteorites and models, as well as photographic materials, and archives, together with examples of extinct and endangered species and insect collections and specimens many of which are of considerable national and international significance.

The artefacts in the *Weingreen Museum* are central to undergraduate teaching about the history and cultures of the ancient Near East, as well as being employed by those teaching archaeological method in modules for Ancient History and Archaeology. The *Anatomy Museum* has many fine historic dissections which students use to increase their understanding of the 3-dimensional nature of the body.

Notes to the Consolidated Financial Statements

12. Tangible fixed assets (cont'd)

Art Collection:

The University possesses a significant art collection acquired over a period of 300 years including a distinguished collection of historic portraits and sculptures by Irish and international artists and these are on public display throughout the University.

Silver:

The Silver Collection dates back to the seventeenth century and includes ceremonial, official, ecclesiastical and domestic plate, along with Sheffield and electroplate items, a selection of snuff boxes and ashtrays and a gold cigarette case. The University Mace and a selection of the University Plate are used for ceremonial and decorative purposes at Commencements and special University dinners. The collection is currently used for educational and research purposes and is being considered for public display in the future.

Heritage assets of €1.23m, summarised below, were donated to or purchased by the University between 1 October 2015 and 30 September 2019. These have not been capitalised in the financial statements as each individual item is valued at less than the €0.15m threshold per the University's accounting policies. There were no disposals of heritage assets in the period.

	2019	2018	2017	2016	2015
Value of acquisitions (including donations)	€0.41m	€0.46m	€0.25m	€0.05m	€0.06m

13. Non-current investments

Consolidated and University

Endowment

	Assets €'000	Total €'000
At beginning of year	168,015	168,015
Additions	28,925	28,925
Disposals	-	-
Net appreciation of investment portfolio	11,855	11,855
Total	208,795	208,795

Endowment assets

Represented by:

	2019 €'000	2018 €'000
Bonds	9,906	5
Equities	144,998	131,792
Property	34,282	27,772
Infrastructure/Other	19,609	8,446
Total endowment assets	208,795	168,015

The Investment Committee of the University has made commitments to investments of c€15m and c€12m in international infrastructure and international property assets respectively. At 30 September 2019 the Trinity Endowment Fund had invested €10m in international infrastructure funds with a remaining €5m committed, and had invested €6m in international property funds with the remaining €6m committed.

14. Investment properties

Consolidated and University

	2019 €'000	2018 €'000
At beginning of year	45,730	54,515
Net appreciation of investment properties	920	(285)
Net transfer to fixed assets	-	(8,500)
Total	46,650	45,730

Notes to the Consolidated Financial Statements

14. Investment properties (cont'd)

GVA Donal O Buachalla, Chartered Surveyors, independently valued all investment properties at 30 September 2019 at open market value in accordance with the Royal Institution of Chartered Surveyors valuation standards.

The investment property valuation increased by €0.9m in the year from €45.7m to €46.6m.

15. Trade and other receivables

	Consolidated 2019 €'000	University 2019 €'000	Consolidated 2018 €'000	University 2018 €'000
Trade receivables	4,810	4,638	4,184	4,122
Research grants and contracts receivable	48,260	48,260	49,769	49,769
State recurrent grants receivable	-	-	1,639	1,639
State capital grants receivable	762	762	938	938
Non State capital funding receivable	727	727	1,763	1,763
Prepayments and other receivables	14,604	14,301	21,387	21,546
Amounts due from subsidiary undertakings	-	402	-	3,039
Total	69,163	69,090	79,680	82,816

16. Inventories

	Consolidated 2019 €'000	University 2019 €'000	Consolidated 2018 €'000	University 2018 €'000
Raw materials and consumables	142	128	142	128
Finished goods for resale	580	580	427	427
Total	722	708	569	555

17. Current investments

	Consolidated 2019 €'000	University 2019 €'000	Consolidated 2018 €'000	University 2018 €'000
Short term deposits	15,017	15,017	30,000	30,000
Short term investments	2,447	376	2,150	167
Total	17,464	15,393	32,150	30,167

Short term investments

	Consolidated 2019 €'000	University 2019 €'000	Consolidated 2018 €'000	University 2018 €'000
At 1 October	2,150	167	2,166	269
Additions	-	-	-	-
Net appreciation of investments	297	209	(16)	(102)
At 30 September	2,447	376	2,150	167

Short term investments include 3,554 shares in Spark Therapeutics valued at €0.4m (2018: €0.2m) and an Irish Life equity portfolio held in Trinity Education Endowment Fund valued at €2.1m at 30 September 2019 (2018: €2.0m).

Notes to the Consolidated Financial Statements

18. Payables: amounts falling due within one year

	Consolidated 2019 €'000	University 2019 €'000	Consolidated 2018 €'000	University 2018 €'000
Trade payables	8,341	5,424	8,654	4,533
Contract research grants and projects unexpended	99,439	99,439	83,416	83,416
Academic fees received in advance	64,318	64,318	56,565	56,565
State recurrent grants received in advance	4,409	4,409	-	-
Capital funding received in advance	1,907	1,907	3,419	3,419
Accruals and deferred income	33,449	31,075	43,444	36,490
Obligations under finance lease	833	833	629	629
Unsecured loans	3,953	3,953	376	376
PAYE/PRSI	6,691	6,578	6,038	5,995
Other payables	16,199	15,814	16,861	17,033
Amounts due to subsidiary undertakings	-	5,530	-	10,711
Total	239,539	239,280	219,402	219,167

Accruals and deferred income

	Consolidated 2019 €'000	University 2019 €'000	Consolidated 2018 €'000	University 2018 €'000
Accruals	16,301	13,927	22,281	15,454
Concession income deferred	1,715	1,715	4,125	4,125
Deferred income – Govt capital grants (note 21)	7,424	7,424	8,751	8,751
Other deferred income	8,009	8,009	8,287	8,160
Total	33,449	31,075	43,444	36,490

19. Payables: amounts falling due after more than one year

	Consolidated 2019 €'000	University 2019 €'000	Consolidated 2018 €'000	University 2018 €'000
Unsecured loans	204,680	204,680	145,000	145,000
Obligations under finance leases	57,001	57,001	57,833	57,833
Deferred income - Govt capital grants (note 21)	231,017	231,017	234,330	234,330
Concession income deferred	-	-	1,719	1,719
Other deferred income and retentions	3,170	1,611	2,468	1,576
Total	495,868	494,309	441,350	440,458

Notes to the Consolidated Financial Statements

20. Borrowings

	Consolidated 2019 €'000	University 2019 €'000	Consolidated 2018 €'000	University 2018 €'000
Unsecured loans are repayable as follows:				
Amounts due within one year	3,953	3,953	376	376
Due between two and five years	27,785	27,785	24,718	24,718
Due after more than five years	176,895	176,895	120,282	120,282
Total	208,633	208,633	145,376	145,376

Unsecured loans repayable includes €0.6m of accrued interest at 30 September 2019, which is payable within one year (30 September 2018: €0.4m).

Obligations under finance leases are due as follows :

Amounts due within one year	833	833	629	629
Due between two and five years	5,759	5,759	4,744	4,744
Due after more than five years	51,242	51,242	53,089	53,089
Total	57,834	57,834	58,462	58,462

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

Unsecured loans outstanding at 30 September 2019 were as follows:

Lender	Amount €'000	Capital repayable	Interest rate %	Borrower
European Investment Bank	19,064	2019 - 2029	0.7% above base	University
European Investment Bank	20,011	2020 - 2040	0.6% above base	University
European Investment Bank	20,007	2020 - 2040	0.6% above base	University
European Investment Bank	15,004	2021 - 2041	0.8% above base	University
European Investment Bank	70,330	2021 - 2046	1.90%	University
European Investment Bank	25,091	2025 - 2049	1.49%	University
Legal & General	39,126	2025 - 2049	1.94%	University
Total	208,633			

The unsecured EIB loans are concessionary loans with interest below the prevailing market rate. The capital element is repayable between 2019 and 2049 by quarterly instalment. There are undrawn loan facilities of €75m available with the European Investment Bank at 30 September 2019.

21. Deferred Capital Grants

Consolidated and University	Buildings €'000	Equipment €'000	Total €'000
Balances at 1 October 2018	239,620	3,461	243,081
Capital grants received/receivable	1,097	1,687	2,784
Released to Statement of Comprehensive Income	(5,842)	(1,582)	(7,424)
Balances at 30 September 2019	234,875	3,566	238,441

Notes to the Consolidated Financial Statements

21. Deferred Capital Grants (cont'd)

Consolidated and University

	Buildings €'000	Equipment €'000	Total €'000
Balances at 1 October 2017	245,130	3,034	248,164
Capital grants received/receivable	310	3,358	3,668
Released to Statement of Comprehensive Income	(5,820)	(2,931)	(8,751)
Balances at 30 September 2018	239,620	3,461	243,081

Deferred capital grants can be analysed as follows:

Consolidated and University

	2019 €'000	2018 €'000
Creditors falling due within one year	7,424	8,751
Creditors falling due after one year	231,017	234,330
Balances at 30 September	238,441	243,081

22. Endowment Reserves

The Trinity Endowment Fund is a collection of individual funds, each of which represents a benefaction to the University. They are permanent and expendable endowment funds that provide financial support to specific University activities. Permanent endowment funds are those where the capital is required to be permanently maintained. The individual funds are invested through units in a common investment scheme which has been approved by the Charities Regulatory Authority (formerly the Office of the Commissioners of Charitable Donations and Bequests for Ireland) under Section 46 of the Charities Act 1961. When this office was dissolved all its functions transferred to the Charities Regulatory Authority under the Charities Act 2009. The Trustees of the Endowment funds are the Provost, Fellows & Scholars of Trinity College with, in most cases, persons nominated under the specified trusts who are responsible for the pursuance of the specified objectives of individual funds.

Consolidated and University

	Notes	Restricted Permanent €'000	Restricted Expendable €'000	2019 Total €'000	2018 Total €'000
Capital		179,411	7,532	186,943	176,150
Accumulated income		13,604	740	14,344	12,410
Balances at 1 October		193,015	8,272	201,287	188,560
New endowments	7	460	-	460	3,341
Increase in market value of investments		11,399	456	11,855	7,452
Investment income for the year	6	6,823	199	7,022	6,981
Expenditure for the year		(4,783)	(63)	(4,846)	(5,047)
Total endowment comprehensive income for the year		13,899	592	14,491	12,727
Balances at 30 September		206,914	8,864	215,778	201,287
Represented by:					
Capital		191,270	7,988	199,258	186,943
Accumulated income		15,644	876	16,520	14,344
Balances at 30 September		206,914	8,864	215,778	201,287

Notes to the Consolidated Financial Statements

22. Endowment Funds - Consolidated and University (cont'd)

Set out below are details of material component funds of the Trinity Endowment Fund that are over 1% of the value of total endowment funds.

	Capital Value at 30 Sept 2019 €'000	Opening Balance €'000	Accumulated Income			Closing Balance €'000	Date Received
			Income €'000	Expenditure €'000	Income transfer To capital €'000		
Hitachi	2,157	74	61	59	-	76	1991
Chetwood-Aiken	2,222	100	63	-	-	162	1969
Brown Animal	2,404	4	68	68	-	4	1973
O'Sullivan Manuscripts	2,572	300	72	-	-	372	2002
Early Irish Studies	2,914	-	82	82	-	-	1996
Smurfit	3,003	-	85	85	-	-	1989
Ellen Mayston Bates, Ellen Fund	3,194	26	90	-	-	116	2016
Provost's Academic Development Fund	3,905	17	110	22	-	105	1992
Nunn	4,035	817	114	100	-	831	1994
Coca Cola	4,152	-	117	117	-	-	1993
Loyola	4,414	95	124	111	-	109	2012
Reid Entrance Exhibitions	4,842	169	136	101	-	205	1888
Childhood Research	5,121	267	144	182	-	229	2005
Faculty Endowment Funds	7,988	736	199	63	-	872	2005
Iona Technologies	9,342	466	263	-	-	729	1997
Endowment Development Fund	55,005	-	1,549	1,418	-	131	1995
	117,270	3,075	3,277	2,408	-	3,944	

Hitachi

This restricted permanent endowment was established in 1991 for the endowment of a Lectureship bearing the Hitachi name to be applied in the area of computational science.

Chetwood-Aiken

This restricted permanent endowment was established in 1969 under the will of the late Mrs Chetwood-Aiken for the support of cancer research.

Brown Animal

This restricted permanent endowment was established in 1973 to support the maintenance at the University of a lecturer under the Thomas Brown Lectureship.

O'Sullivan Manuscripts

This restricted permanent endowment was established in 2002 under the will of the late William O'Sullivan. The income is to be used solely for the purchase of manuscripts for the University Library.

Notes to the Consolidated Financial Statements

22. Endowment Funds - Consolidated and University (cont'd)

Early Irish Studies

This restricted permanent endowment was established in 1996 to fund a Chair in Early Irish Studies.

Smurfit

This restricted permanent endowment was established in 1989 to support a Chair in Genetics.

Ellen Mayston Bates Fund

This restricted permanent endowment was established in 2016 to fund a Chair in Neurophysiology of Epilepsy.

Provost's Academic Development Fund

This restricted permanent endowment was established in 1992 to provide academic support as approved by the Provost.

Nunn

This restricted permanent endowment was established in 1994 under the will of the late Angela Lilian Nunn, for the purposes of Medical Research.

Coca Cola

This restricted permanent endowment was established in 1993 to fund a Chair in Drama & Theatre Studies.

Loyola

This restricted permanent endowment was established in 2012 to provide academic support as approved by the Provost.

Reid Entrance Exhibitions

This restricted permanent endowment was established in 1888 under the will of the late Richard Touhill Reid, to fund additional scholarships. The awards, which do not exceed five in number, are open only to students of limited means and who are natives of County Kerry. They are granted to qualified candidates on the basis of their public examination results and are tenable for two years.

Childhood Research

This restricted permanent endowment was established in 2005 to support the provision of core funding and the appointment of a Professor of Childhood Studies at the Children's Research Centre.

Faculty Endowment Fund

This restricted permanent endowment was established in 2009 for the purpose of supporting the provision of core teaching and unfunded research.

Iona Technologies

This restricted permanent endowment was established in 1997 to provide an annual allocation to the Research Committee to support research activity.

Endowment Capital Development Fund

This restricted permanent endowment was established in 1995 to provide a regular annual income stream which would be available to the Board to facilitate major capital developments in the University.

Notes to the Consolidated Financial Statements

23. Restricted reserves

		Consolidated 2019 €'000	University 2019 €'000	Consolidated 2018 €'000	University 2018 €'000
Balances at 1 October		9,966	215	16,821	452
New donations	7	16,266	-	9,613	-
Expenditure		(10,585)	(215)	(16,468)	(237)
Restricted comprehensive income/(loss)		5,681	(215)	(6,855)	(237)
Balances at 30 September		15,647	-	9,966	215

Closing reserves comprise the following funds:

Funds held with Trinity Foundation	15,647	-	9,966	-
Funds held with the University	-	-	-	215
Balances at 30 September	15,647	-	9,966	215

24. Revaluation reserve

	Consolidated 2019 €'000	University 2019 €'000	Consolidated 2018 €'000	University 2018 €'000
Balances at 1 October	517,993	517,993	517,993	517,993
Revaluation in year	-	-	-	-
Balances at 30 September	517,993	517,993	517,993	517,993

25. Cash and cash equivalents

Consolidated

	1 Oct 2018 €'000	Cash flows €'000	30 Sept 2019 €'000
Cash and cash equivalents	155,171	26,523	181,694

University

	1 Oct 2018 €'000	Cash flows €'000	30 Sept 2019 €'000
Cash and cash equivalents	135,014	21,155	156,169

Cash and cash equivalents includes €9.3m (2018: €4.4m) of restricted cash in relation to joint research projects with other institutions and Trinity Endowment Fund restricted cash of €6.7m (2018: €33.1m) which will be reinvested in property and infrastructure asset classes within the investment portfolio. In addition, the University has provided an irrevocable standby letter of credit in favour of the U.S. Department of Education in compliance with the rules and regulations of the Federal Student Aid programme. The University has secured the letter of credit facility with a first legal charge over deposits in the amount of \$0.7m (€0.6m) held in the name of the University with the Bank of Ireland.

26. Capital commitments

	Consolidated 2019 €'000	University 2019 €'000	Consolidated 2018 €'000	University 2018 €'000
Contracted for but not provided	20,556	2,125	50,125	1,977
Total	20,556	2,125	50,125	1,977

Consolidated capital commitments include €18.4m (2018: €48.1m) for Ghala development projects (Trinity Business School Printing House Square residences, Dartry student accommodation, E3 Learning Foundry and Trinity at Grand Canal Quay).

Notes to the Consolidated Financial Statements

27. Lease obligations

	Consolidated	University	Consolidated	University
	2019	2019	2018	2018
	€'000	€'000	€'000	€'000
Total rentals payable under operating leases				
Future minimum lease payments due:				
Not later than one year	735	735	735	735
Later than one year and not later than five years	368	368	1,103	1,103
Total	1,103	1,103	1,838	1,838
Total rental income due under operating leases				
Future minimum lease income due:				
Not later than one year	2,654	2,654	3,270	3,270
Later than one year and not later than five years	11,430	11,430	14,328	14,328
Later than five years	5,078	5,078	7,469	7,469
Total	19,162	19,162	25,067	25,067

On 29 March 2015 the University entered, as lessee, into a five-year non-cancellable lease of a building in the International Financial Services Centre which is being used for academic purposes. The previous lessor has provided a dilapidation fund of €1.7m for the property to be restored to its original layout and condition at the end of the lease. This fund has been included in other deferred income within payables: amounts falling due after more than one year (note 19).

28. Related Parties

Subsidiary undertakings

Ghala Designated Activity Company: The principal activity of the company is the construction and refurbishment of University properties. The University owns 100% of the share capital of this company.

Trinity Online Services Company Limited by Guarantee: The principal activity of the company is the advancement of education through the development and provision of a range of online education courses for the University. All Board Members of this company are appointed by the University.

Trinity Asia Services Pte. Limited: The company is limited by shares and was incorporated on 25 April 2017. The principal activity of the company is the teaching of University students in Singapore. The University owns 100% of the share capital of this company.

Trinity Brand Commercial Services Limited: The principal activity of the company is the commercialisation of the Trinity brand and intellectual properties. The University owns 100% of the share capital of this company.

The following four entities are also considered to be subsidiary undertakings of the University in accordance with the SORP definition of control. Their activities are exclusively for the benefit of the University.

Trinity Foundation: A charity Trust established with the objective of raising funds to support the development of the University.

Trinity College Dublin Education Endowment Fund and Trinity College Dublin Trust: The Trinity College Dublin Trust was established in 1955 to continue and amplify the work of the Trinity College Dublin Educational Endowment Fund. The aim of this Trust is to augment endowments of the University, and to make grants to the University for the promotion of research or education in its widest sense.

Trinity College Dublin Association: Trinity College Dublin Association exists to foster contacts between its members and Trinity College Dublin and to support the University inter alia by promoting the purposes of the Trinity College Dublin Trust.

The University of Dublin Fund: This trust was established to support the educational purposes of the University both in Ireland and the United States. The Fund allows alumni and friends of Trinity, in the United States, to financially support the educational purposes of the University.

Notes to the Consolidated Financial Statements

28. Related Parties (cont'd)

Transactions with subsidiaries of the University have been eliminated on consolidation.

Transactions with other related parties

The Haughton Institute was a related limited company. The main objectives of the Institute were to facilitate the development, on a combined basis with hospitals, of medical postgraduate education and training and the management and funding of research. Trinity College held a 33.3% interest in the share capital of the Haughton Institute. The Haughton Institute was placed in liquidation on 26 February 2018. All remaining research funds and reserves transferred to St James's Foundation Limited as agreed with the members. Neither TCD nor any other member retain a shareholding in funds transferred. During the period, Trinity College made payments of €Nil (2017/18: €Nil) to the Haughton Institute and received €Nil (2017/18: €82,663) for services provided to the Haughton Institute. All transactions were conducted at an arm's length basis. At 30 September 2019, there was an amount of €Nil (2017/18: €Nil) due from Trinity College to the Haughton Institute and an amount of €Nil (2017/18: €Nil) due from the Haughton Institute.

MMI Clinical Research Development Ireland (formally Molecular Medicine Ireland (MMI)) is a related company limited by guarantee, does not have a share capital and has been registered without the word "Limited" in its name. Its principal activities are research into the molecular bases of diseases and graduate education, training, research and consultancy work in the biosciences. There are five key shareholders (Partner institutions) NUIG, RCSI, UCC, UCD and Trinity. During the period Trinity College made payments of €738,337 (2017/18: €378,895) to MMI and received €Nil (2017/18: €Nil). At 30 September 2019 there was an amount of €263,291 (2017/18: €Nil) due to MMI and an amount of €Nil (2017/18: €Nil) due from MMI. All transactions were conducted on an arm's length basis. The net assets of MMI per their audited financial statements at 30 September 2018 were €Nil (2017: €Nil) and the surplus for the year amounted to €Nil (2017: €Nil).

The National Digital Research Centre (NDRC) Limited is limited by guarantee and does not have share capital. Trinity College is a member of NDRC Limited. During the period Trinity made payments of €30,750 (2017/18: €35,363) to NDRC and received €Nil (2017/18: €Nil). At 30 September 2019 there was an amount of €1,538 (2017/18: €1,538) due from NDRC Limited. The net assets per their audited financial statements as at 31 December 2018 were €2,908,219 (2017: €1,726,191) and the surplus for the year amounted to €1,182,028 (2017: deficit of €263,858).

Trinity College Dublin Academy of Dramatic Art Limited (also known as 'The Lir') does not have a share capital and is limited by guarantee. The Lir is a related party as there are two University representatives on its Board out of a total of ten Board members. Its principal activities are to establish and operate an Academy for the provision of educational services, training and research in relation to dramatic art. The University has leased property (2,202 square meters) to The Lir until 30 September 2021, at a nominal rent of €10 per annum. An additional property (636 square meters) was leased to The Lir in October 2014 for 8 years at a nominal annual rent of €10. At 30 September 2019 there was an amount of €60,704 (2017/18: €126,072) due from The Lir. The net assets of The Lir per their draft Financial Statements at 30 September 2019 were €128,973 (2018: €238,306) and the deficit for the year amounted to €109,333 (2018: €53,655).

Science Gallery International (also known as 'SGI') does not have a share capital and is limited by guarantee. SGI is a related party as there are two University representatives out of a total of seven Board members. The main object for which the Company is established is to advance education by igniting creativity and discovery where science and art collide, through developing an international network of science activities including touring exhibitions, educational workshops, training programmes and events. During the period, the University made payments of €61,500 (2017/18: €56,527) to SGI and received €368,427 (2017/18: €266,550) for services provided to SGI. All transactions were conducted at an arm's length basis. At 30 September 2019 there was an amount of €92,250 (2018: €271,581) due from SGI and an amount of €92,250 (2018: €61,500) due to SGI. The net assets of SGI per its draft management accounts at 30 September 2019 were €137,227 (2018: €139,774) and the deficit for the year amounted to €2,547 (2018: €97,724).

The Douglas Hyde Gallery is a company limited by guarantee and does not have a share capital. The main objectives of the company are to promote the study and improve the understanding of fine arts, to maintain a permanent centre for exhibitions of works of art and to carry out research, investigation and experimental works in the arts. The Douglas Hyde Gallery is a related party as four out of a total of eight board members are appointed by Trinity. During the financial year, Trinity made payments of €17,948 (2017/18: €17,360) to the Douglas Hyde Gallery and received payments for €4,782 (2017/18: €4,192) in respect of rent and other costs associated with the provision of office and exhibition space in the University. At 30 September 2019, there was an amount of €692 (2017/18: €2,482) due from the Douglas Hyde Gallery and an amount of €4,349 (2017/18: €1,794) due to the Douglas Hyde Gallery. The net assets of the Douglas Hyde Gallery per their audited financial statements as at 31 December 2018 were €6,715 (2017: €34,557) and the deficit for the year amounted to €27,842 (2017: €14,793).

Notes to the Consolidated Financial Statements

28. Related Parties (cont'd)

Transactions with other related parties

The Irish Bioeconomy Foundation (IBF), incorporated in March 2017, is a company limited by guarantee. The individual founding members are from Trinity College Dublin, University College Dublin, Limerick IT, Tipperary County Council, CMP, and Glanbia Ireland. The purpose of the Irish Bioeconomy Foundation (IBF) is to promote the conversion of goods and services from Ireland's natural land and sea capital resources to high value products for the development of a sustainable bioeconomy that is globally competitive. During the period, Trinity made payments of €3,075 (2017/18: €5,000) to IBF. The net liabilities of the Irish Bioeconomy Foundation per their audited financial statements as at 31 December 2018 were €48,186 (2017: net assets of €1,122) and the deficit for the year amounted to €49,308 (2017: surplus of €1,122).

29. Retirement benefits

a) Defined contribution scheme and Personal Retirement Savings Accounts (PRSAs)

Trinity Foundation operates a defined contribution scheme within the meaning of the Pensions Act 1990. It is called the Trinity Foundation Retirement Solution Plan. The scheme commenced on 1 February 1999. The retirement benefit charge for the period represents contributions payable by Trinity Foundation to the scheme and amounted to €0.11m (2018: €0.09m).

In addition, and in compliance with the provisions of the Pensions Act 1990 (as amended), Trinity Online Services Company Limited by Guarantee has appointed Personal Retirement Savings Account (PRSA) providers. The retirement benefit charge for the period represents contributions payable by Trinity Online Services Company Limited by Guarantee on behalf of its employees and amounted to €0.03m (2018: €0.04m).

b) Defined benefit retirement schemes

The University had the following defined benefit retirement arrangements in place during the year:

- Master Pension Scheme
- Model Scheme
- Pension Supplementation
- Single Public Service Pension Scheme

Master Scheme

Prior to the changes outlined below, the University funded a Master Pension Scheme, comprising a retirement benefit scheme and a prolonged disability income scheme, operating under a Trust Deed. The Master Pension Scheme provides the retirement benefit entitlements of certain employees, which are based on final pensionable pay and are secured by contributions by the University and the employees. This Master Pension Scheme applies to pensionable employees appointed prior to 31 January 2005 and is closed to new entrants who commenced employment with the University on or after 1 February 2005. In 2009, legislation was enacted (see further details below) which provided for the assets of this scheme to be transferred to the State National Pensions Reserve Fund, and for the State to guarantee the payment of retirement benefit entitlements of members on a pay-as-you-go basis.

The University's contribution was limited to 15% of pensionable salary due to a restriction imposed by the HEA on the level of the University's contribution rate.

Model Scheme

The Model Scheme was set up in 2005, following approval from the Department of Finance and Department of Education and Skills. The University is obliged by the HEA to provide retirement benefits under the rules of the scheme to new staff appointed from 1 February 2005 until 31 December 2012. This scheme is an unfunded defined benefit retirement arrangement which operates on a pay-as-you-go basis. In 2018, the passing of SI 393 of 2018 placed the Model Scheme on a statutory basis, adopting the rules for pre-existing Public Service Pension Scheme Members Regulation 2014 (SI 582 of 2014) as the rules of the Model Scheme, subject to certain modifications as specified in SI 393 of 2018.

Notes to the Consolidated Financial Statements

29. Retirement benefits (cont'd)

b) Defined benefit retirement schemes (cont'd)

Pension Supplementation

This relates to post-retirement retirement benefit increases for all staff which are unfunded and paid on a pay-as-you-go basis from the University's recurrent core grant from the HEA.

Single Public Service Pension Scheme

The Single Public Service Scheme applies to all new staff who join the public sector as new entrants on or after 1 January 2013. It is a defined benefit retirement benefit scheme and the University has accounted for its estimated share of the defined benefit retirement benefit obligations of this scheme in accordance with FRS 102. All employee retirement benefit contributions for the Single scheme are paid to a state retirement benefit account. This scheme operates on a pay-as-you-go basis.

Fundamental changes to retirement benefit arrangements

Ongoing discussion over a number of years between the universities, HEA and Government in relation to putting in place revised retirement benefit arrangements in the longer-term arising from the deficit position in a number of universities retirement benefit schemes concluded in 2009 with significant legislative changes being introduced in the form of the Financial Measures (Miscellaneous Provisions) Act 2009.

The Financial Measures (Miscellaneous Provisions) Act 2009 was enacted on 26 June 2009 and included, in relation to the Master Pension Scheme of the University, certain provisions, following a Transfer Order by the Ministers for Finance and Education, for the transfer of the assets of the Master Pension Scheme to the National Pension Reserve Fund and the continued payment of benefits formerly payable from the Master Pension Scheme.

The transfer order for the Master Pension Scheme was executed on 31 December 2009 and as provided in the legislation:

- the existing trust was terminated and the trust deed ceased to have effect;
- all retirement benefit assets transferred to the National Pension Reserve Fund;
- the University and each member continue to contribute at the same rate as before, and these contributions are paid into or disposed of for the benefit of the Exchequer;
- the obligation to pay benefits in accordance with the retirement benefit scheme remains an obligation of the University in relation to the scheme; and
- if the aggregate of the members and employers' contributions paid or withheld above are insufficient to meet the University's obligations to pay those benefits in accordance with the Scheme, the Minister for Finance shall make good the deficiency by payments to the University from funds provided by the Oireachtas for this purpose. Hence, the payments of retirement benefit obligations of the Master Pension Scheme are guaranteed by the State and they will be paid on a pay-as-you-go basis.

The University is of the opinion that discussions held between the sector, the HEA and the Government in advance of the enabling legislation being introduced represented assurances that the State would guarantee all retirement benefit liabilities of the University i.e. those liabilities associated with the Master Pension Scheme and other defined benefit retirement benefit arrangements that the University has in place.

Although the above legislation enacted during 2009 relates specifically to the Master Pension Scheme, the University is of the opinion that the State would also be meeting future retirement benefit liabilities for the Model Scheme and Pension Supplementation on a pay-as-you-go basis. The University's liabilities under the Single Public Service Pension Scheme are guaranteed by the State under the Public Service Pensions (Single Scheme and Other Provisions) Act 2012. The University has offset the deficit in all defined benefit retirement benefit schemes in full with a retirement benefit receivable asset due from the State being recognised in the Statement of Financial Position which is equivalent to the retirement benefit liability.

In FY2018, the passing of SI 393 of 2018 placed the Model Scheme on a statutory basis. It adopts the Rules for Pre-Existing Public Service Pension Scheme Members Regulation 2014 (SI 582 of 2014) as the rules of the Model Scheme, subject to certain modifications as specified in SI 393 of 2018 and therefore the University, on advice from its legal advisors, considers it reasonable, to refer to the State providing a "de facto" guarantee in respect of the Model Scheme. The University will seek further clarification on this issue from the HEA.

Notes to the Consolidated Financial Statements

29. Retirement benefits (cont'd)

Consolidated and University	2019 €'000	2018 €'000
Present value of plan liabilities	(2,002,335)	(1,674,748)
Non-current retirement benefit receivable (reimbursement rights)	2,002,335	1,674,748
	-	-

Analysis of retirement benefit liability	2019 €'000	2018 €'000
Master Pension Scheme	(1,238,913)	(1,018,212)
Model Scheme and Pension Supplementation	(702,640)	(623,838)
Single Public Service Pension Scheme	(60,782)	(32,698)
Present value of unfunded obligations	(2,002,335)	(1,674,748)

Changes in the present value of defined benefit retirement obligations	2019 €'000	2018 €'000
Defined benefit obligation at start of period	1,674,748	1,701,923
Current service cost	66,920	69,284
Interest cost	38,519	38,293
Contributions by scheme participants	2,327	2,325
Effect of experience adjustments on defined benefit retirement obligation	(19,740)	8,927
Changes in financial assumptions	276,746	(110,660)
Benefit payments from reimbursement rights	(37,185)	(35,344)
Defined benefit retirement benefit obligations at end of period	2,002,335	1,674,748

Changes in fair value of reimbursement rights	2019 €'000	2018 €'000
Fair value of reimbursement rights at start of period	1,674,748	1,701,923
Interest income	38,519	38,293
Return on reimbursement rights	299,796	(58,759)
Employer contributions	24,423	26,597
Contributions by scheme participants	2,327	2,325
Benefit payments from reimbursement rights	(37,185)	(35,344)
Administration expenses paid from reimbursement rights	(293)	(287)
Fair value of reimbursement rights at end of period	2,002,335	1,674,748

Notes to the Consolidated Financial Statements

29. Retirement benefits (cont'd)

Consolidated and University	2019 €'000	2018 €'000
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Amounts recognised in the Statement of Comprehensive Income in respect of the plan are:

Amount included in staff costs

Current service costs	66,920	69,284
Total	66,920	69,284

Amount recognised in Other Comprehensive Income

Return on retirement benefit reimbursement rights	(299,796)	58,759
Experience adjustments	(19,740)	8,927
Changes in assumptions underlying the present value of plan	276,746	(110,660)
Total gain	(42,790)	(42,974)

The above amounts exclude the impact of related movements on the retirement benefit receivable which are offset against amounts stated above. Including the impact of related movements on the retirement benefit receivable, the net amount included in staff costs is €24.4m (2018: €25.9m) and the net amount included in other comprehensive income is €Nil (2018: €Nil).

Net retirement benefit liability

The valuation of the defined benefit retirement benefit obligations of the University for the purposes of FRS 102 disclosures has been performed by an independent professionally qualified actuary as at the Statement of Financial Position date.

The assumptions used by the actuaries to value the liabilities as at 30 September 2019 were as follows:

Financial assumptions:

	2019 Projected Unit	2018 Projected Unit
Valuation method		
Discount rate	1.15%	2.30%
Inflation rate	1.25%	1.75%
Salary increases	2.75%	3.25%
Pension supplementation	1.75%	2.25%

The discount rate of 1.15% is based on the Mercer Yield Curve Index for high quality corporate bonds which is appropriate for the duration of the liabilities of the schemes.

The assumptions relating to longevity underlying the retirement benefit liabilities at the Statement of Financial Position date are based on standard actuarial mortality tables and include an allowance for future improvements in longevity. The assumptions are equivalent to expecting a 65 year old to live for a number of years as follows:

Mortality

Assumed life expectations on retirement at age 65	30 September 2019		30 September 2018	
	Male	Female	Male	Female
Retiring today (age 65)	22.5	24.3	22.4	24.3
Retiring in 25 years (age 40 today)	24.7	26.6	24.6	26.5

The estimated employer contributions for the 2020 financial year are €25m. Employer contributions for the 2019 financial year were €24.4m.

Notes to the Consolidated Financial Statements

30. Contingent Liabilities

In October 2017, the University entered into two short-term nomination agreements, whereby the University is liable in the event of a shortfall in the letting of a number of student residences. The maximum value of the liability at 30 September 2019 is €16.8m (2018: €17.6m). The University does not expect any liability to be incurred as a result of these contracts as it expects all residences will be fully let as per the nomination agreements.

A submission for additional payment under the Sectoral Employment Order (Construction Sector) 2017 (SEO), was received by Ghala DAC, a subsidiary of the University, from the main works contractor on a capital project. The claim has not been accepted and in light of the uncertainties surrounding the claim, no provision for any liability in respect of this claim has been made in the financial statements.

The U.S. Department of Education requested that Trinity put in place an irrevocable standby letter of guarantee for U.S. Federal Student Aid in event of default of Trinity obligations under the programme. On 25th July 2019, the letter of credit, drawn on a US Bank was provided to the U.S. Department of Education by Bank of Ireland (BOI) on behalf of Trinity through Wells Fargo Bank. Trinity was required to deposit \$692,392 in a deposit account with BOI as security and BOI have a charge/lien over this deposit restricting Trinity's access and use of this deposit while the letter of credit is in place (note 25).

31. Events after the reporting period

On 31 October 2019, the University through its subsidiary Ghala DAC, purchased the shares of a company for €21.5m whose sole asset was property (Connaughton building) located adjacent to the Trinity at Grand Canal site.

On 13 December 2019, the University purchased a property, 2 Clare Street for academic use for €1.75m. The School of Nursing & Midwifery have occupied the building under licence since 2014.

No other events that require disclosure have occurred after the end of the reporting period.

32. Approval of the Consolidated Financial Statements

The Board of the University approved the Consolidated Financial Statements on 25 March 2020.

Management of and Accountability for Grants from Exchequer Funds Research Grants

Grantor	Government Funding Department/Office	Grant	Cash	Taken to	Grant
		Deferred/ (Due) 1/10/18 €'000	Received 2018/19 €'000	Income 2018/19 €'000	Deferred/ (Due) 30/9/19 €'000
Science Foundation Ireland	Dept of Business Enterprise and Innovation	4,618	42,344	38,608	8,354
Higher Education Authority	Dept of Education and Skills	(780)	154	262	(887)
HRB	Dept of Health	1,856	7,788	6,863	2,781
Irish Research Council	Dept of Education and Skills	1,682	10,374	8,251	3,805
Enterprise Ireland	Dept of Business, Enterprise and Innovation	(852)	6,828	6,428	(452)
Environmental Protection Agency	Dept of Communications, Climate Action and Environment	(749)	925	842	(667)
The Marine Institute	Dept of Agriculture, Food and the Marine	105	119	232	(8)
HSE	Dept of Health	140	569	428	281
Other Irish Government/State Agencies	Various Departments	(169)	753	717	(133)
Dept of Agriculture, Food and the Marine	Dept of Agriculture, Food and the Marine	89	181	430	(160)
Geological Survey of Ireland	Dept of Communications, Climate Action and Environment	(77)	157	182	(102)
Dept of Health and Children	Dept of Health and Children	2,848	36	1,399	1,484
An Roinn Ealain	Dept of Culture, Heritage and the Gaeltacht	(145)	207	253	(191)
City of Dublin Education and Training Board	Dept of Education and Skills	(25)	159	162	(27)
Teagasc	Dept of Agriculture, Food and the Marine	(90)	131	168	(127)
Road Safety Authority	Dept of Transport, Tourism and Sport	25	95	52	68
Dublin City Council	Dept of Housing, Planning, Community and Local Govt	(27)	164	172	(35)
Nursing & Midwifery Planning & Development	Dept of Health	11	-	-	11
An Chomhairle Um Oideachas Gaeltachta agus Gaelscola	Dept of Culture, Heritage and the Gaeltacht	57	-	7	50
Irish Aid	Dept of Foreign Affairs and Trade	(1)	-	(1)	-
Ordnance Survey Ireland	Dept of Communications, Climate Action and Environment	70	-	-	70
Houses of the Oireachtas	Dept of the Taoiseach	17	-	(28)	45
Total Exchequer Research Grants		8,603	70,984	65,427	14,160
Total Non-Exchequer Research Grants		19,917	46,969	37,862	29,024
Total per Research accounts		28,520	117,953	103,289	43,184
Other Adjustments		5,128	988	(1,879)	7,995
Research grants and contracts per Financial Statements		33,648	118,941	101,410	51,179

Capital grants

The University received grant income of €1.3m (FY17/18: €3.1m) under the programme for research in Third Level Institutions (PRTL I V) in the period. Returns are made to the HEA by Trinity on a quarterly basis, based upon the actual expenditure incurred on HEA funded capital grants. All such expenditure incurred is in line with the specific terms and conditions of the capital grant. All funding received from the HEA for Capital Grants is treated in line with the specific terms and conditions as set out by the HEA and is also in line with Government policies and guidelines.



Elements of Research expenditure reported in these Consolidated Financial Statements have been funded by the following agencies:





Financial Services Division

Trinity College Dublin, the University of Dublin
5 College Green
Dublin 2
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T 01 896 1000

E financial.services@tcd.ie

For further information, please
Contact the University's
Financial Services Division.



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Trinity College Dublin, The University of Dublin

Opinion on the financial statements

I have audited the financial statements of Trinity College Dublin for the year ending 30 September 2019 as required under the provisions of the Universities Act 1997. The financial statements comprise

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

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the University and of the University group at 30 September 2019 and of the income and expenditure of the University and the University group for the year then ended in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

Emphasis of matter — deferred pension funding asset

Without qualifying my opinion on the financial statements, I draw attention to Note 29 Retirement Benefits.

The recognition of deferred pension funding assets in respect of the Master Pension Scheme (€1,239 million) and the Single Public Service Pension Scheme (€61 million) reflect statutory provisions relating to the funding of those schemes.

The recognition of a deferred pension funding asset of €702 million in respect of the Model Scheme and Pension Supplementation anticipates that funding will be provided by the State to meet pension liabilities as they fall due. Inherent in this accounting treatment is an assumption that any income generated by the University will in the first instance be applied towards current expenses and that State funding will meet any shortfall in resources required to meet future pension liabilities.

Basis of opinion

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

In conducting my audit, I seek to rely on evidence from an audit of the financial statements by auditors engaged by the University.

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

Report of the C&AG (continued)

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

The University has presented certain other information together with the financial statements. This comprises the Chief Financial Officer's report, the statement of responsibilities, the statement of governance and internal control and (on page 50) a statement on the management of and accountability for grants from Exchequer funds.

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

Non-compliance with procurement rules

The statement on governance and internal control (page 11) discloses that the University incurred significant expenditure on goods and services the procurement of which was not compliant with the relevant procedures.

Seamus McCarthy
Comptroller and Auditor General

25 March 2020

Appendix to the report

Responsibilities of Board members

The members are responsible for

- the preparation of financial statements in the form prescribed under the Universities Act 1997
- ensuring that the financial statements give a true and fair view in accordance with FRS102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

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

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

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

- I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.
- I conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the University's ability to continue as a going concern. If I conclude that a material uncertainty

exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the University to cease to continue as a going concern.

- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Information other than the financial statements

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

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

Reporting on other matters

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

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

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