

**FINANCIAL REPORT
YEAR ENDED 30 SEPTEMBER 2013**

CONTENTS	PAGE
Report of Director of Finance	1 - 2
Statement of Responsibilities	3
Statement of Accounting Policies	4 - 6
Current Income and Expenditure Account	7
Statement of Total Recognised Gains and Losses	8
Balance Sheet	9
Cash Flow Statement	10
Notes to the Financial Statements	11 - 22
Report of the Independent Management Auditors	23
Five Year Summary - Expenditure	24

1 INTRODUCTION

The financial statements for the year to 30 September 2013 have been prepared in accordance with this historically agreed harmonised format jointly developed by the universities, the Higher Education Authority, and the Comptroller & Auditor General.

A consolidated set of financial statements, based on generally accepted accounting principles (GAAP) is also being prepared for the year to 30 September 2013, which incorporates the activities of the University's subsidiary companies, together with the core revenue and expenditure outlined in this set of financial statements.

2 RECURRENT INCOME

Income decreased marginally to €122.18 million from €122.55 million.

Total State grants decreased from €41.99 million to €36.73 million representing a decrease of 12.5%. This decrease was mostly due to a decrease in pension costs. The underlying recurrent State grant decreased by 2.0% from €27.0m to €26.3m. Student fee income increased 6.6% from €76.56 million to €81.58 million, reflecting the State's ongoing policy to transfer the cost of funding the third level sector from the State to the individual student.

Income from other sources decreased from €4.00 million to €3.86 million, a decrease of 3.6%, due to a decrease in interest income which was partially offset by funded post income and income from various Springboard and ICT skills programmes.

3 ACADEMIC AND RELATED SERVICES EXPENDITURE

Expenditure on Academic and Related Services decreased from €122.24 million to €121.58 million, a decrease of 0.5%.

4 CONTRACT RESEARCH AND OTHER SELF FUNDED PROJECTS

Contract Research income increased by 3.8% from €24.28 million to €25.20 million during the year under review. The continuing recovery in research income levels is to be welcomed and it is expected that this momentum can be maintained with the further roll out of the Bernal project.

Expenditure on self-funded projects increased by 11.2% from €9.19 million to €10.22 million. The University continues to mainstream much of the historical activities in this area. The increase is due to the generation of income from new targeted programmes such as the Mathematics Teacher Education Programme and income related to the establishment of the National Forum on Teaching and Learning.

5 CAPITAL PROGRAMME

University capital expenditure amounted to €17.0 million during the year, €5.4 million related to equipment, and the balance relating to land and buildings. This is a decrease of €3.4 million on the total capital expenditure in the previous year.

€2.9m was spent on the purchase of the IBC Building and associated land from Shannon Development. €2.7m was spent on the Graduate Medical School Building and Medical School Accommodation which opened in September 2012.

€0.9m was spent on the commencement of the new Bernal Project Building which envisages the provision of a fully equipped laboratory building of the order of 7,459m² to enable the research of ten new professorships.

The successful implementation of the University's physical development programme is being made possible by the very significant funds being provided to the University from private sources in partnership with State funding.

6 CONCLUSION

The financial out turn for the year under review shows a surplus of €599k and a reduction in the cumulative deficit to €0.9m. In the challenging economic environment this represents a significant achievement.

During the year pay rates were cut as part of the Haddington Road agreement. In addition students were required to pay a greater student contribution and state grant levels fell further. The combination of these changes present financial and operational challenges and the University will have to maintain its focus on non-state income generation and cost control in order to continue to achieve such positive financial outcomes.

The University is committed to the achievement of a balanced outturn for the year ended 30 September 2014 and will continue to endeavour to eliminate the remaining accumulated deficit.

John Field
Director of Finance
4 April 2014

STATEMENT OF RESPONSIBILITIES

Statement of Responsibilities

The University is required to keep in such form as may be required by the Harmonisation of Financial Accounts agreement as adopted by all Irish Universities 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 that are in accordance with the Harmonisation of Financial Accounts agreement and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on a going concern basis unless that basis is inappropriate;

The University is responsible for keeping proper books of account which disclose at any time the financial position of the University and which enables it to ensure that its financial statements are prepared in accordance with the Harmonisation of Financial Accounts agreement. The University is also responsible for safeguarding all assets under its operational control and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

A separate set of financial statements will be prepared to comply and in accordance with generally accepted accounting principles in Ireland and the UK whereas these financial statements prepared for the Higher Education Authority are prepared in accordance with the Harmonisation of Financial Accounts Agreement.

The financial statements have been prepared in accordance with the terms of the foregoing statement of responsibilities and have been audited by PricewaterhouseCoopers, the management auditors of the University.

It should be noted that the Comptroller and Auditor General is the statutory auditor of the University.

On behalf of the University

President

Director of Finance

STATEMENT OF ACCOUNTING POLICIES

1. Financial Statements

The financial statements reflect the teaching, research and related service activities of the University.

2. Accounting Convention

The financial statements are prepared under the historical cost convention, modified to include the revaluation of land and buildings. They are presented in accordance with the existing Harmonisation of Financial Accounts Agreement as adopted by all Irish Universities. The Financial Statements for the year ended 30 September 2013 will also be prepared in the new format on a consolidated basis and in accordance with the generally accepted accounting principles in Ireland and the U.K.

3. State Grants for Recurrent Expenditure

Recurrent Grants have been recognised on an accruals basis. Recurrent Grants, which have been used for the purchase of fixed assets and for the financing of the capital portion of lease charges, are included in the General Reserve.

4. Grants for Capital Expenditure

State and Other Grants for capital expenditure are included in the financial statements of the period to the extent of cash received.

5. Fee Income

Fee income is accounted for on an accruals basis. Any excess of non-EU fee income over the most recent related Unit Cost is included in Restricted Reserves.

6. Other Income

Other Income includes a charge levied on certain capital projects in respect of the interest income foregone by the University by the funding of these projects from its own funds. The charge is levied based upon the average rate of interest earned by the University on its deposits and forms part of the overall cost of the relevant project.

7. Approved Allocations

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

- i) Non-pay expenditure of academic departments and certain service departments.
- ii) Departmental Equipment and Minor Works.

In these cases internal balances are carried forward in the Balance Sheet under Current Assets or Liabilities, as appropriate.

STATEMENT OF ACCOUNTING POLICIES - / Continued

8. Fixed Assets and Depreciation

Land has been valued on the existing use basis on 1 October 1998 at a valuation of €126,974 per acre. All subsequent additions are stated at cost.

Buildings, acquired and constructed prior to 1 October 1998, have been valued on an existing use basis at a standard cost of €2,413 per square metre. Buildings, partially constructed at 1 October 1998, are valued at actual cost. All subsequent additions are stated at cost. All buildings are depreciated as noted below.

Finance costs where applicable, which are directly attributable to the construction of land and buildings, are not capitalised as part of the cost of those assets. A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable.

Equipment, Fixtures and Fittings are stated at cost less accumulated depreciation. Equipment costing less than €25,000 per individual item is written off to the income and expenditure account in the year of acquisition.

The estimated useful lives of fixed assets by reference to which depreciation has been calculated on a straight-line basis is as follows:

Buildings	50 years
Equipment and Furniture	Up to 10 years
Computer Equipment	3 years
Leased Assets	5 years or primary lease period if shorter

The revalued amounts include certain buildings, which were originally funded by the Department of Education and Science.

9. Capital Expenditure met from Core Teaching Budget

Capital Expenditure, which is financed from the Core Teaching Budget, is charged against income in the year in which the expenditure is incurred. The expenditure is also credited to General Reserve, shown as a part of Fixed Assets and depreciated in accordance with the Accounting Policy set out above.

10. Leased Assets

The cost of Fixed Assets acquired under finance leases is included in Fixed Assets and written-off over the estimated useful lives of the assets at the rates set out in the policy above, or over the lease period if shorter.

11. General Reserve

The General Reserve represents the value of funding, after amortisation, applied for capital purposes together with the reserve generated on the revaluation of the buildings and the balance on ancillary service activities.

STATEMENT OF ACCOUNTING POLICIES - / Continued

12. Research Grants and Projects

Contract research expenditure is shown net of contribution to indirect costs. Income from contract research grants is included in the Income and Expenditure Account to the extent that the related expenditure has been incurred. Contract research contribution to the University's indirect costs is included in Other Income.

13. Pensions

Superannuation benefits are conferred by the University of Limerick Superannuation (Amendment) Scheme. The scheme, which provides for defined benefits, is non-funded and benefits are met from current revenue as they arise. Accordingly, the financial statements do not provide for the University's liability in respect of contributions made by members of the scheme or its actuarial superannuation liability to the members of the scheme. The disclosure requirements of the recently issued accounting standard FRS 17 'Retirement Benefits' have not been adopted in these financial statements which are presented in accordance with the 'Harmonisation of Accounts format as adopted by all Irish universities.

14. Foreign Currency

Costs denominated in foreign currencies are translated at the exchange rates ruling at the dates of the transactions. Assets and liabilities denominated in foreign currencies are translated into Euros at the rate of exchange ruling at the Balance Sheet date. The resulting profits or losses are dealt within the Income and Expenditure Account.

15. Taxation

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

16. Ancillary Services

Ancillary Services are services provided on campus, on a cost recovery basis, and are planned to break-even in the medium term. The net out-turn on such activities is transferred to the General Reserve.

17. Restricted Reserves

Restricted Reserves comprise the unused portion of funds made available to the University for specified purposes.

18. Mary Immaculate College

In accordance with the memorandum of understanding between the University and Mary Immaculate College, which sets out the terms of the linkage between both institutions, funds received by the University on behalf of Mary Immaculate College are transferred immediately following receipt.

UNIVERSITY OF LIMERICK

CURRENT INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 30 SEPTEMBER

INCOME	NOTES	2013 €'000	2012 €'000
State Grants	1	36,734	41,989
Student Fees	2	81,584	76,557
Other Income	3	3,858	4,004
		<u>122,176</u>	<u>122,550</u>
Contract Research and Other Self-Funded Projects	4	35,419	33,476
		<u>157,595</u>	<u>156,026</u>
Mary Immaculate College			
State Grants		7,716	11,470
Student Fees		8,053	8,521
Less amount transferred to College		<u>(15,769)</u>	<u>(19,991)</u>
Total		<u>157,595</u>	<u>156,026</u>
EXPENDITURE			
Colleges and Departments	5	66,930	67,134
Academic and Other Services	6	9,699	9,186
Premises	7	12,846	12,495
Amount allocated for Capital Purposes	8	1,425	1,207
Central Administration and Services	9	14,428	12,334
General Educational Expenditure	10	2,580	1,875
Student Services	11	3,701	3,374
Miscellaneous Expenditure	12	9,968	14,631
		<u>121,577</u>	<u>122,236</u>
Contract Research and Other Self-Funded Projects	4	35,419	33,476
Total	13	<u>156,996</u>	<u>155,712</u>
Surplus on Activities before Amortisation of Capital Reserves and Grants, Ancillary Services and Depreciation of Fixed Assets		599	314
(Deficit)/Surplus on Ancillary Services	14	(168)	567
Depreciation of Fixed Assets	15	(11,735)	(11,275)
General Reserve Movement	16	11,903	10,708
NET SURPLUS for year	24	<u>599</u>	<u>314</u>

The statement of Accounting Policies, Cash Flow Statement and Notes 1 to 35 form part of these Financial Statements.

President

Director of Finance

UNIVERSITY OF LIMERICK

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES YEAR ENDED 30 SEPTEMBER

	2013 €'000	2012 €'000
SURPLUS for year	599	314
Total recognised gains and losses relating to year	<u>599</u>	<u>314</u>

The Statement of Accounting Policies, Cash Flow Statement and Notes 1 to 35 form part of these Financial Statements.

President

Director of Finance

UNIVERSITY OF LIMERICK

BALANCE SHEET**YEAR ENDED 30 SEPTEMBER**

	NOTES	2013 €'000	2012 €'000
TANGIBLE FIXED ASSETS	17	<u>373,067</u>	<u>367,860</u>
INVESTMENTS	18	<u>6,334</u>	<u>6,275</u>
CURRENT ASSETS			
Bank Balances and Cash		83,059	80,787
Debtors and Prepayments	19	<u>8,655</u>	<u>6,575</u>
		91,714	87,362
CURRENT LIABILITIES			
Creditors and Accrued Expenditure	21	(100,682)	(93,159)
		<u> </u>	<u> </u>
NET CURRENT ASSETS/(LIABILITIES)		<u>(8,968)</u>	<u>(5,797)</u>
LONG TERM LIABILITIES			
Creditors due after one year	27	<u>(9,397)</u>	<u>(10,486)</u>
TOTAL ASSETS LESS TOTAL LIABILITIES		<u><u>361,036</u></u>	<u><u>357,852</u></u>
REPRESENTED BY		€'000	€'000
General Reserve	22	337,684	334,715
Restricted Reserves	23	24,256	24,640
Revenue Deficit	24	<u>(904)</u>	<u>(1,503)</u>
		<u><u>361,036</u></u>	<u><u>357,852</u></u>

The Statement of Accounting Policies, Cash Flow Statement and Notes 1 to 35 form part of these Financial Statements.

President

Director of Finance

UNIVERSITY OF LIMERICK

CASH FLOW STATEMENT**YEAR ENDED 30 SEPTEMBER**

	NOTES	2013 €'000	2012 €'000
NET CASH INFLOW FROM OPERATING ACTIVITIES	25	2,808	5,933
RETURN ON INVESTMENTS AND SERVICING OF FINANCE			
Interest Received (Net)		1,534	2,338
CAPITAL EXPENDITURE			
Payments to acquire Tangible Fixed Assets		(16,969)	(20,340)
Receipts from Sale of Tangible Fixed Assets		(1)	1
NET CASH (OUTFLOW) BEFORE FINANCING		<u>(12,628)</u>	<u>(12,068)</u>
FINANCING			
HEA Capital Grants		979	9,336
Non HEA Capital Receipts		13,921	8,377
CASH INFLOW FROM FINANCING		<u>14,900</u>	<u>17,713</u>
NET CASH INFLOW AFTER FINANCING		<u>2,272</u>	<u>5,645</u>
INCREASE IN CASH AND CASH EQUIVALENTS	28	<u>2,272</u>	<u>5,645</u>

The Statement of Accounting Policies and Notes 1 to 35 form part of these Financial Statements.

President

Director of Finance

UNIVERSITY OF LIMERICK

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1	2013	2012
	€'000	€'000
STATE GRANTS		
Recurrent Grant	26,337	26,999
Pension Grant	9,968	14,631
Targeted Funding for Special Initiatives	369	296
Minor Works	60	63
	<hr/>	<hr/>
Total	<u>36,734</u>	<u>41,989</u>
NOTE 2	2013	2012
	€'000	€'000
STUDENT FEES		
Student Fees	80,601	75,561
Miscellaneous Fee Income	983	996
	<hr/>	<hr/>
Total	<u>81,584</u>	<u>76,557</u>
NOTE 3	2013	2012
	€'000	€'000
OTHER INCOME		
Interest Receivable	1,648	2,401
Funded Posts	611	0
Contract Research and Other Self-Funded Projects	1,599	1,593
Contributions		
Miscellaneous Income	0	10
	<hr/>	<hr/>
Total	<u>3,858</u>	<u>4,004</u>
NOTE 4	2013	2012
	€'000	€'000
CONTRACT RESEARCH AND OTHER SELF-FUNDED PROJECTS		
Contract Research Projects	25,196	24,282
Other Self-Funded Projects	10,223	9,194
	<hr/>	<hr/>
Total	<u>35,419</u>	<u>33,476</u>

NOTES TO THE FINANCIAL STATEMENTS-/Continued

NOTE 5	Pay Costs €'000	Non Pay €'000	2013 €'000	2012 €'000
COLLEGES AND DEPARTMENTS				
Academic	45,010	-	45,010	45,333
Technical	3,219	-	3,219	3,185
Administrative Support	9,286	-	9,286	7,395
Materials and Expenses	-	9,307	9,307	11,103
Miscellaneous	-	108	108	118
Total	57,515	9,415	66,930	67,134
NOTE 6				
	Pay Costs €'000	Non Pay €'000	2013 €'000	2012 €'000
ACADEMIC AND OTHER SERVICES				
Library	1,996	2,053	4,049	3,912
Information Technology	2,463	1,200	3,663	3,317
Cooperative Education and Careers Division	1,078	909	1,987	1,957
Total	5,537	4,162	9,699	9,186
NOTE 7				
	Pay Costs €'000	Non Pay €'000	2013 €'000	2012 €'000
PREMISES				
Premises Maintenance	1,794	4,158	5,952	5,796
General Services	91	3,612	3,703	3,867
Minor Works	-	52	52	287
Insurance	-	365	365	354
Energy Costs	-	2,774	2,774	2,191
Total	1,885	10,961	12,846	12,495
NOTE 8				
	Pay Costs €'000	Non Pay €'000	2013 €'000	2012 €'000
AMOUNT ALLOCATED FOR CAPITAL PURPOSES				
Capital Projects	-	1,425	1,425	1,179
Equipment	-	-	-	28
Total	-	1,425	1,425	1,207

NOTES TO THE FINANCIAL STATEMENTS-/Continued

NOTE 9	Pay Costs €'000	Non Pay €'000	2013 €'000	2012 €'000
CENTRAL ADMINISTRATION AND SERVICES				
Staff	6,825	-	6,825	6,850
Materials and Services	-	6,643	6,643	4,992
Professional Charges	-	184	184	68
Miscellaneous	-	776	776	424
Total	6,825	7,603	14,428	12,334
NOTE 10	Pay Costs €'000	Non Pay €'000	2013 €'000	2012 €'000
GENERAL EDUCATIONAL EXPENDITURE				
Examination Expenses	232	245	477	517
Scholarships/ Grants/ Waivers	-	1,336	1,336	773
Miscellaneous Expenses	204	563	767	585
Total	436	2,144	2,580	1,875
NOTE 11	Pay Costs €'000	Non Pay €'000	2013 €'000	2012 €'000
STUDENT SERVICES				
Capitation and Other Grants	-	1,010	1,010	994
Sports and Recreation	419	105	524	534
Health and Counselling	665	57	722	724
Student Services	1,247	198	1,445	1,122
Total	2,331	1,370	3,701	3,374
NOTE 12	Pay Costs €'000	Non Pay €'000	2013 €'000	2012 €'000
MISCELLANEOUS EXPENDITURE				
Pensions	9,968	-	9,968	14,631
Total	9,968	-	9,968	14,631
NOTE 13	Pay Costs €'000	Non Pay €'000	2013 €'000	2012 €'000
COMPOSITION OF TOTAL EXPENDITURE				
Academic and Related Services	84,497	37,080	121,577	122,236
Contract Research and Other	14,601	20,818	35,419	33,476
Self-funded Projects	-	-	-	-
Total Expenditure	99,098	57,898	156,996	155,712

NOTES TO THE FINANCIAL STATEMENTS-/Continued

NOTE 14	Income	Expenditure	2013 Surplus / (Deficit) €'000	2012 Surplus / (Deficit) €'000
ANCILLARY SERVICES	€'000	€'000		
Reprographic Services	292	(209)	83	3
National Coaching and Training Centre	(129)	(458)	(587)	657
Killaloe Activity Centre	299	37	336	(93)
	<u>462</u>	<u>(630)</u>	<u>(168)</u>	<u>567</u>
Movement on Ancillary Services	<u>462</u>	<u>(630)</u>	<u>(168)</u>	<u>567</u>

NOTE 15

DEPRECIATION OF FIXED ASSETS	2013 €'000	2012 €'000
Land and Buildings	8,254	8,092
Equipment	3,481	3,183
	<u>11,735</u>	<u>11,275</u>
Total	<u>11,735</u>	<u>11,275</u>

NOTE 16

GENERAL RESERVE MOVEMENT	2013 €'000	2012 €'000
Amortisation in line with Depreciation Deficit/(Surplus) of Ancillary Services to General Reserve Account	11,735 168	11,275 (567)
	<u>11,903</u>	<u>10,708</u>
Total	<u>11,903</u>	<u>10,708</u>

NOTES TO THE FINANCIAL STATEMENTS -/Continued

NOTE 17	Land and Buildings €'000	Equipment €'000	Leased Assets €'000	2013 Total €'000
Tangible Fixed Assets				
Cost/Valuation At 30 September 2012				
Valuation	190,308	-	-	190,308
Cost	240,610	45,192	551	286,353
	<u>430,918</u>	<u>45,192</u>	<u>551</u>	<u>476,661</u>
Additions/Disposals:				
Additions	11,596	5,373	-	16,969
Disposals	-	(661)	(15)	(676)
	<u>11,596</u>	<u>4,712</u>	<u>(15)</u>	<u>16,293</u>
Cost/Valuation At 30 September 2013				
Valuation	190,308	-	-	190,308
Cost	252,206	49,904	536	302,646
Total	<u>442,514</u>	<u>49,904</u>	<u>536</u>	<u>492,954</u>
Depreciation				
At 30 September 2012	(79,496)	(28,754)	(551)	(108,801)
Disposals	-	634	15	649
Depreciation for Year	(8,254)	(3,481)	-	(11,735)
At 30 September 2013	<u>(87,750)</u>	<u>(31,601)</u>	<u>(536)</u>	<u>(119,887)</u>
Net Book Value 2012	<u>351,422</u>	<u>16,438</u>	<u>-</u>	<u>367,860</u>
Net Book Value 2013	<u>354,764</u>	<u>18,303</u>	<u>-</u>	<u>373,067</u>

NOTES TO THE FINANCIAL STATEMENTS-/Continued

NOTE 18	2013	2012
	€'000	€'000
INVESTMENTS		
Investments	<u>6,334</u>	<u>6,275</u>
Total	<u>6,334</u>	<u>6,275</u>
These amounts primarily include funds deposited on a medium/long-term basis in relation to specific capital projects. These amounts are stated at cost.		
NOTE 19	2013	2012
	€'000	€'000
DEBTORS AND PREPAYMENTS		
Contract Research & Other Self-Funded Projects	(500)	(400)
Debtor Balances	2,777	2,671
Other Debtors and Prepayments	6,378	4,304
Total	<u>8,655</u>	<u>6,575</u>
NOTE 20	2013	2012
	€'000	€'000
CAPITAL INCOME AND CAPITAL EXPENDITURE		
INCOME		
Grant from Higher Education Authority	979	9,336
Grants from Private Donors	3,009	761
Capital Income - Other Sources	9,487	6,409
Transfer from Current Income and Expenditure Account	1,425	1,207
Total	<u>14,900</u>	<u>17,713</u>
EXPENDITURE		
Land/Buildings	11,596	15,945
Equipment	5,373	4,395
Total	<u>16,969</u>	<u>20,340</u>
Deficit for year	(2,069)	(2,627)
Deficit at beginning of year	(33,933)	(31,306)
Deficit at end of year	<u>(36,002)</u>	<u>(33,933)</u>

NOTES TO THE FINANCIAL STATEMENTS-/Continued

NOTE 21	2013 €'000	2012 €'000
CREDITORS AND ACCRUED EXPENDITURE		
Contract Research & Other Self-Funded Projects	46,546	35,415
State Grants for Recurrent Expenditure received in advance	4,258	7,466
Academic Fees received in advance	18,294	19,027
Bank Loans (Note 27)	1,553	1,903
Other Creditors and Accruals	30,031	29,348
Total	<u>100,682</u>	<u>93,159</u>

Included in Other Creditors and Accruals at 30 September 2013 is an amount €15.691m (2012: €12.156m) accrued in respect of commitments for non-pay expenditure in Academic Departments and Library Services.

NOTE 22	2012 Opening Balance €'000	Current Year Movement €'000	2013 Closing Balance €'000
GENERAL RESERVE			
Valuation -Fixed Assets	157,328	-	157,328
Research Equipment	19,500	4,079	23,579
State Capital Grants	136,232	979	137,211
Recurrent Funding Transfer	40,368	1,425	41,793
Capital Donations	77,582	3,009	80,591
Other	12,506	4,563	17,069
	<u>443,516</u>	<u>14,055</u>	<u>457,571</u>
Amortisation			
Valuation -Fixed Assets	5,221	-	5,221
Research Equipment	(2,881)	-	(2,881)
Amortisation in line with Asset Depreciation	(148,569)	(11,735)	(160,304)
Less Accumulated Amortisation on Disposals	37,428	649	38,077
Total	<u>334,715</u>	<u>2,969</u>	<u>337,684</u>

NOTE 23	2013 €'000	2012 €'000
RESTRICTED RESERVES		
Balance at beginning of year	24,640	24,464
Student Levies Interest and Other Income (Net)	(384)	176
Balance at end of year	<u>24,256</u>	<u>24,640</u>

These funds comprise monies allocated by the University to fund a range of capital developments including a Multi-Purpose Sports Building and a Student Centre.

NOTES TO THE FINANCIAL STATEMENTS-/Continued

NOTE 24

	2013 €'000	2012 €'000
REVENUE DEFICIT		
Balance at beginning of year		(1,817)
Surplus for the year	(1,503) 599	314
Balance at end of year	<u>(904)</u>	<u>(1,503)</u>

NOTE 25

	2013 €'000	2012 €'000
NET CASH INFLOW FROM OPERATING ACTIVITIES		
Surplus for the year	599	314
Less Interest Received	(1,534)	(2,338)
Depreciation of Fixed Assets	11,735	11,275
Amortisation of General Reserves	(11,735)	(11,275)
(Deficit)/Surplus in Ancillary Services	(168)	567
(Increase) in Investments	(59)	(15)
(Increase)/Decrease in Debtors and Prepayments	(2,080)	2,269
Increase in Creditors and Accruals	7,523	6,315
(Decrease) in Long Term Liabilities	(1,089)	(1,355)
(Decrease)/Increase in Restricted Reserves	(384)	176
NET CASH INFLOW FROM OPERATING ACTIVITIES	<u>2,808</u>	<u>5,933</u>

NOTE 26

	At 30 September 2012 €'000	Cash Flow €'000	At 30 September 2013 €'000
ANALYSIS OF CHANGES IN NET FUNDS			
Net Cash			83,059
Bank Loans	80,787 (12,389)	2,272 1,439	(10,950)
Total	<u>68,398</u>	<u>3,711</u>	<u>72,109</u>

NOTE 27

	2013 €'000	2012 €'000
BANK LOANS		
Due within one year (Note 21)	1,553	1,903
Due in more than one year, but not more than two years	906	1,089
Due in more than two years, but not more than five years	3,220	2,963
Due in more than five years	5,271	6,434
Total Due in more than one year	9,397	10,486
Total	<u>10,950</u>	<u>12,389</u>

The above loans are interest bearing but there is no security attaching to same.

NOTES TO THE FINANCIAL STATEMENTS-/Continued

NOTE 28

	2013 €'000	2012 €'000
ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS		
Balance at beginning of year	80,787	75,142
Net Cash inflow	2,272	5,645
Balance at end of year	<u>83,059</u>	<u>80,787</u>

NOTE 29

PENSION

Salaries and wages are charged net of employees' pension contributions (the total of such contributions in the period was €4.218m (2012: €4.202m) and benefits are met from pension revenue provided on a recurrent basis by the State). Pensions paid in the year and included in miscellaneous expenditure amounted to €9.968m (2012: €14.631m).

Pension Control Account

	2013 €'000	2012 €'000
Opening Balance	<u>0</u>	<u>0</u>
Income		
Employer Contribution	1,255	1,331
Employee Contribution	603	799
Pension Transfers In	-	-
Supplementation Income	-	-
Other	-	-
	<u>8,110</u>	<u>12,501</u>
Total Income	<u>9,968</u>	<u>14,631</u>
Expenditure		
Pension in Payment (including supplementation)	9,231	8,767
Lump sum payments on retirement	742	5,947
Death in Service payments	-	-
Pension transfer out (cash payments)	-	-
Refunds of contribution	103	356
Administration & Other Costs	-	-
Income in respect of the purchase of added years	-	-
	<u>(108)</u>	<u>(439)</u>
Total Expenditure	<u>9,968</u>	<u>14,631</u>
(Deficit)/Surplus in year	<u>0</u>	<u>0</u>
Closing Balance - Grant receivable from/(payable to) the HEA	<u>0</u>	<u>0</u>

NOTE 30

CAPITAL COMMITMENTS

	2013 €'000	2012 €'000
Contracted at 30 September	<u>11,085</u>	<u>2,754</u>
Authorised but not contracted at 30 September	<u>28,947</u>	<u>35,411</u>

The University has commitments arising on certain buildings financed by tax-based financing in amount of €815k within the period of 1 year.

NOTES TO THE FINANCIAL STATEMENTS-/Continued

NOTE 31

CONTINGENT LIABILITY

There were no contingent liabilities in existence at the balance sheet date.

NOTE 32

RELATED PARTIES

Plassey Campus Centre Ltd., a related company limited by guarantee, operates as a holding company and administers a range of facilities on campus.

Plassey Campus Developments Ltd., is a wholly owned subsidiary of Plassey Campus Centre Ltd. Its principal activity is that of contracting and property development at the National Technological Park.

Plassey Trust Company Ltd., and Kilmurray Village Ltd., both wholly owned subsidiaries of Plassey Campus Centre Ltd., are companies limited by guarantee and responsible for the administration of the student village accommodation.

The University of Limerick Foundation is a related company, limited by guarantee. The objectives of the Foundation are, generally the furtherance of education and research, in particular the furtherance of education and research carried out by the University of Limerick and other educational, research and development bodies, associated with the University of Limerick in their pursuit of education, teaching and research.

Plassey Campus Arena Ltd., a wholly owned subsidiary of Plassey Campus Centre Ltd., is a company limited by guarantee and responsible for the operation and management of the University Arena.

On 31 July 2012, the University Concert Hall Limited became a wholly owned subsidiary of Plassey Campus Centre Limited. The University Concert Hall Limited supports the University of Limerick and other educational establishments in their promotion of the arts and music for students and the public generally.

NOTE 33

RELATED PARTY TRANSACTIONS

Plassey Campus Developments Ltd. was the principal contractor associated with other ongoing property development contracts totalling €3,485,341 in the year (2012: €15,718,677) on behalf of the University of Limerick. Representatives of the University are members of Plassey Campus Centre Ltd. At the balance sheet date €419,342 (2012: €1,507,407) was outstanding in respect of such contract work.

NOTE 34

ENERGY USAGE

Overview of Energy Usage in 2012/2013

The University of Limerick, situated on a 137.5 hectare site, comprises teaching and study space, office space, research facilities, student accommodation and sports facilities including a 50m pool and over 38,000m² of floodlit Astroturf pitches. All energy used on campus goes towards providing power and heating these buildings/facilities. The Bernal Building currently under construction will add a further 10,000m² of built space to the campus and will be used to further enhance UL's research in the applied science and engineering sphere.

In 2012/2013, the University of Limerick consumed 44.2 GWh of energy, consisting of:

- 20.8 GWh of electricity.
- 23.4 GWh of fossil fuels in the form of natural gas (23.32 GWh) and bulk propane (0.08 GWh).

NOTE 34

ENERGY USAGE - Continued

In 2012/2013 three buildings/facilities (i.e. the Pavilion building and pitches, the Medical School and the Medical School apartments) had their first full year of operation. Coupled with 23% more heating degree days (i.e. a comparative measure of how cold weather is) gas and electricity consumption increased compared with 2011/2012.

Actions Undertaken in 2012/2013

- The “Green Campus” initiative has commenced. Green Campus is an Eco-Management and Auditing and System approach incorporating a seven step methodology corresponding to the ISO 14001:2000 environmental system standard. Green Campus seeks to include all sectors of the campus community in its environmental management and enhancement. To this end several cohorts of students are undertaking projects on behalf of the Buildings and Estates to establish how campus users interact with the space from an energy perspective and also to identify the barriers to rolling out an energy awareness campaign.
- An asset register of pumps on fans in addition to their energy consumption has been compiled which will assist in prioritising their replacement and identifying primary energy consuming equipment on a building by building basis.
- Significant upgrades facilitating easier operation of the BMS have been made. These include “At a Glance” screens which facilitates increased control of plant and equipment, and, troubleshooting.
- Out-of-hours classes (i.e. after 6pm and at weekends) which had been held in relatively energy inefficient buildings were consolidated into smaller more energy efficient buildings for the period of one semester resulting in gas consumption savings of 212,000 kWh. This initiative is now been extended.
- Energy saving initiatives for which UL secured grant funding from the Sustainable Energy Authority of Ireland in 2011/2012 were completed saving an estimated 750,000 kWh per year. The initiatives completed were as follows:
 - Upgrade of mechanical ventilation and insulation in the Schrodinger Building estimated to save 500,000 kWh per year.
 - Lighting upgrade in the Arena with expected savings of 94,000 kWh per annum.
 - Boiler Upgrades in the Stables to reduce recurrent consumption by 43,000 kWh annually.
 - Lighting and air conditioning upgrade in the GLISB forecast to lower recurrent annual electricity consumption by 41,000 kWh.
 - Lighting upgrade in the Main Building with projected savings of 36,000 kWh per year.
 - Insulation and occupancy detection upgrades in the PESS building with expected annual savings of 37,000 kWh.

Actions Planned for 2013/2014

- Accelerate the roll-out of the “Green Campus” initiative. Green Campus accreditation is being sought under the following categories:
 - Energy
 - Travel and transport
 - Biodiversity

As part of Green Campus energy awareness will be raised amongst the general campus community through a Green Week.

- Use the information compiled by the students as part of the Green Campus initiative to inform an energy awareness campaign and to prioritise energy saving initiatives.
- Further engage with students to raise energy awareness on campus.
- Continue to facilitate out-of-hours classes in most energy-efficient buildings.
- Continue to identify and prioritise the retrofitting of old and inefficient equipment.
- Use EM&T trends to identify potential energy saving opportunities and leverage results.

UNIVERSITY OF LIMERICK

NOTES TO THE FINANCIAL STATEMENTS-/Continued

NOTE 35

APPROVAL OF FINANCIAL STATEMENTS

The Governing Authority is responsible for approving the financial statements of the University.

UNIVERSITY OF LIMERICK

REPORT OF THE INDEPENDENT MANAGEMENT AUDITORS

To the members of the Executive Committee of the University of Limerick.

We have audited the Financial Statements on pages 4 to 22.

Respective responsibilities of the University and the Auditors

The University, as described on page 3 is responsible for preparing the Financial Statements prepared in accordance with the Harmonisation of Universities Accounts agreement. Our responsibility is to audit those financial statements in accordance with the auditing standards issued by the Auditing Practices Board applicable in Ireland.

This report, including the opinion, has been prepared for and only for the members of the Executive Committee of the University as a body in accordance with our appointment. We do not, in giving this opinion, accept or assume responsibility for any other purposes or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the Financial Statements are properly prepared in accordance with the Harmonisation of Universities' Accounts agreement as adopted by all Irish Universities. We state whether we have obtained all the information and explanations we consider necessary for the purposes of our audit and whether the Financial Statements are in agreement with the books of account. We also report to you our opinion as to whether the University has kept proper books of account.

Basis of opinion

We conducted our audit of the Financial Statements for the year ended 30 September 2013 in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Financial Statements. It also includes an assessment of the significant estimates and judgements made by the University in the preparation of the Financial Statements, and of whether the accounting policies are appropriate to the University's circumstances, are consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of presentation on information in the Financial Statements.

Opinion

In our opinion the Financial Statements of the University in respect of the year ended 30 September 2013 have been properly prepared in accordance with the Harmonisation of Accounts Agreement.

We have obtained all the information and explanations we consider necessary for the purposes of our audit. In our opinion proper books of account have been kept by the University. The Financial Statements are in agreement with the books of account.

PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Limerick

4 April 2014

UNIVERSITY OF LIMERICK

FIVE YEAR SUMMARY - EXPENDITURE

	2008/09 €'000	%	2009/10 €'000	%	2010/11 €'000	%	2011/12 €'000	%	2012/13 €'000	%
Colleges and Departments	67,741	40	65,686	42	62,889	42	67,134	43	66,930	43
Contract Research Projects	31,017	18	25,472	16	22,348	15	24,282	16	25,196	16
Other Self-Funded Projects	17,693	11	17,061	11	16,151	11	9,194	6	10,223	7
Academic and Other Services	11,144	7	10,164	6	9,402	6	9,186	6	9,699	6
Premises	12,684	8	12,755	8	12,497	8	12,495	8	12,846	8
Central Administration and Services	10,449	6	10,862	7	11,295	8	12,334	8	14,428	9
General Educational Expenditure	1,946	1	1,935	1	2,024	1	1,875	1	2,580	2
Student Services	3,955	2	3,783	2	3,726	2	3,374	2	3,701	2
Miscellaneous Expenditure	9,293	6	8,994	6	9,134	6	14,631	9	9,968	6
Amount Allocated for Capital Purposes	1,487	1	1,591	1	1,100	1	1,207	1	1,425	1
Total	<u>167,409</u>	<u>100</u>	<u>158,303</u>	<u>100</u>	<u>150,566</u>	<u>100</u>	<u>155,712</u>	<u>100</u>	<u>156,996</u>	<u>100</u>

The 5 year summary is exclusive of expenditure incurred by Mary Immaculate College of Education and also of the University's annual contribution to depreciation.