



National College of Art and Design
A Recognised College of University College Dublin

Annual Report 2016/2017

National College of Art and Design Act, 1971 Section 16(1):

"An Bord shall make a report to the Minister annually of the proceedings under this Act during the previous academic year of the College and the Minister shall cause a copy of the report to be laid before each house of the Oireachtas."

An Bord

Chairman of An Bord	Professor Niamh Brennan (to 01/03/2018) Dr Richard Thorn (from 23/03/2018)
Members of An Bord	Mary Dorgan (to 01/03/2018) Adrienne Eacrett (to 28/10/2016) Karen Furlong (to 01/03/2018) Ross Golden Bannon (from 30/11/2016) Frederick Goltz (from 23/03/2018) Darragh Hogan (from 23/03/2018) Dr Declan Long (from 23/03/2018) Jane McDaid (from 23/03/2018) Gráinne Murphy (from 05/02/2016) Christine O'Donovan (from 23/03/2018) Sonia O'Dwyer (from 23/03/2018) Ian Power (to 01/03/2018) Professor Mark Rogers (to 30/03/2017) Sinéad Ryan (from 23/03/2018) Blaise Smith (to 29/09/2017) Rachel Tuffy (from 15/06/2015) Oliver Whelan (to 01/03/2018)
Officer of An Bord	Bernard Hanratty, Acting Director and Ex officio Member of An Bord (from 01/03/2016 to 04/08/2017) Professor Alex Milton, Interim Director (from 29/09/2017 to 31/12/2017) Dr Siun Hanrahan, Interim Director (from 29/09/2017 to 31/12/2017) Damian Downes, Registrar/Secretary

Contents

An Bord	2
Chairman's Introduction	4
Academic	5
Administration	10
Buildings	11
Graduate/Student Achievements (Selected)	12
Student Statistics	15
Financial Information – audited accounts for the year ended 30 September 2017	17

Chairman's Introduction

This report covers the period during which Professor Niamh Brennan chaired the NCAD Board whose term of office was 15th June 2015 until 1st March 2018. This annual report was prepared subsequent to the completion of this Board's term of office. A new Board was appointed in April 2018 and held its first meeting on 1st May at which meeting Dr. Richard Thorn was nominated as Chairperson.

As mentioned in the previous Annual Report, Professor Brennan detailed in previous Chairman's reports the significant issues with the NCAD system for internal financial control identified by An Bord as they took up office in 2015. The current Bord remains committed to continuing the work undertaken by Professor Brennan and her colleagues to put in place and implement a governance improvement plan for NCAD. The Institutional Review, undertaken in 2017 and detailed in this report resulted in a Quality Improvement Plan which outlines NCAD's response to the recommendations of the Review and this plan has closely informed the work of An Bord in developing a new strategic plan for NCAD during 2018 and 2019.

I would like to take this opportunity to acknowledge again the significant progress made by Professor Brennan and the previous members of An Bord, and on behalf of NCAD to thank them for their hard work and dedication whilst in office.

I draw attention to the significant achievements of NCAD students and graduates who continue to excel both nationally and internationally.

I would like to thank both staff and students for their continued commitment to the College.

Finally, on behalf of An Bord I would like to acknowledge the continuing support from the Department of Education and Skills and the Higher Education Authority.

Dr Richard Thorn
Chairman of An Bord
National College of Art and Design

Academic Report

Post of Director

An Bord finalised the composition of the Search Committee and the Selection Committee for the post of Director at its meeting on 28th October, 2016. The Chairman of An Bord provided regular updates to An Bord on the work of both Committees. At its meeting on 9th December, 2016, An Bord agreed that the term of office for the post of Director would be for 7 years.

On the recommendation of the Selection Committee, An Bord approved the appointment of Sarah Glennie to the post of Director at its meeting held on 21st April, 2017.

Conferring

The annual Conferring Ceremony was held in O'Reilly Hall, UCD on 21st November, 2016. This was a 'double conferring' where 528 students were conferred from both the four-year and three-year undergraduate programmes.

UCD Alliance

Two working groups were established to undertake work to further recommendations contained in the NCAD+UCD joint report. The Accreditation and Collaboration Working Groups held their inaugural meetings on 20th and 21st September, 2016.

The Higher Education Authority met with the Acting Director of NCAD and President of UCD at a meeting on 25th November, 2016 to discuss progress on the Academic Alliance.

The Memorandum of Agreement between NCAD and UCD was renewed for a further three-year period in August 2017.

PELARS EU Project

The three-year PELARS project finished in January 2017 and the final EU review took place on 24th March, 2017 with all twelve partners in attendance. An Exhibition 'Patterns of Learning', which detailed the project process and outputs, was launched in the NCAD Gallery on 23rd March, 2017.

Art Agenda in Education Policy

The Irish Times published a letter from the Acting Director, Bernard Hanratty, in relation to art being embraced as a gateway subject and for reform of the Leaving Certificate Art Curriculum. This received very positive feedback and social media attention.

The Art Teachers Association of Ireland held a 'Day of Action' to promote revision of the Leaving Certificate Art Curriculum on 26th October, 2016. The College wrote to art and design institutions, and industry, to explain the purpose of the day and to send a letter of support to the Minister for Education and Skills. Students in the College ran a social media campaign in support of the day of action.

Irish Citizen's Army – Plaque Unveiling

On Thursday, 6th October, 2016 a plaque was unveiled in the College to commemorate the men, women and young people from the surrounding areas who served with the Irish Citizen Army during the revolutionary period 1913-23.

The unveiling was preceded by a march from St. Catherine's Church to the College followed by a talk by a local historian.

Academic Council

Membership of Academic Council was revised during the year as was its Terms of Reference.

Academic Council approved two new courses in Design: BA (Hons) Illustration and BA (Hons) Interaction Design. A Studio Plus Year was also approved for programmes in the School of Design.

Access & Outreach

Student Shadowing Project

45 senior cycle pupils from 23 linked access schools participated in the Student Shadowing Project. This project aims to promote peer-mentoring opportunities for fifth year pupils who wish to explore their options in higher education in art and design. Pupils spent two days shadowing art and design students in the studio and at lectures.

Access Day

Access Day took place in March and 173 secondary school pupils from 23 linked access schools had the opportunity to experience two art and design workshops over the day. Workshops are designed and led by students from across NCAD.

Artist Mentoring Project

The Artist Mentoring Project has now been written into the second year Education Art and Design curriculum. Schools sign up for a double class as well as a group/class for the Artist Mentoring Project. 14 schools participated and an exhibition was held in the School of Education in April and was well attended by pupils, parents and teachers.

Portfolio Scholarship Awards

10 scholarships to the CEAD Summer Portfolio Preparation Course were awarded to fifth year pupils who attend linked access schools.

Primary School Access Week

The Primary School Access Module has been written into the first year Education Art and Design curriculum. Two projects were developed in partnership with the Freud Project at IMMA and the Port Perspectives Project with Dublin Port and the Hugh Lane Gallery. 17 primary schools with DEIS band status participated in both projects and over 650 primary school children visited the graduate show during the week.

Access Scheme

Thirty-one first year students registered with the Access Scheme.

Mary Cawley Travel Bursary

The Mary Cawley Travel Bursary is unique to NCAD and is open to students who are registered with the Access Office. Six recipients were awarded a bursary to support research and study visits.

Mary Black Exhibition Award

The Mary Black Exhibition Award supports one final year student registered with the Access Office. The award was created through the will of Mary Black to assist students with the costs associated with their final year exhibition at NCAD.

Future Creators and Future Cadets

Twenty-five teenagers who attend schools in Dublin 8 successfully completed the Future Creators programme and received Certificates of Achievement in June. Fourteen primary school children attended the Future Cadets programme, receiving Certificates of Achievement at NCAD in June.

Digital Pathways Erasmus +

The Digital Pathways project concluded with an international conference at NCAD and a launch of the Digital Pathways Programme and CPD for Digital Mentors Resource.

Clancy Quay Studio Award

Kennedy Wilson Ireland continues their sponsorship of the NCAD Access Programme through the provision of a commercial space located in Clancy Quay in Dublin 8.

Rialto Youth Project

NCAD Access works with young people who attend the Rialto Youth Project and supported their work through Easter and July Art Camps.

Solas Project

NCAD Access supported the design and delivery of a six week after schools project with staff, leaders and children who attend the Solas Project on Thomas Street. The project artwork was exhibited at NCAD School of Education.

Quality Assurance

Institutional Review

The major event and focus of quality assurance at NCAD in the 2016-17 academic year was the Institutional Review. This is a major review of the whole College by our accrediting partner: UCD.

The first stage of the broad process is a self-assessment report. This report is distributed to an external review panel, who then visited the College in March 2017. As a result, their report identified areas that require improvement. The most serious concern of the review panel concerned health and safety at the College.

Review Panel's findings:

Commendations

1. Strength of senior leadership over recent years.
2. Colleagues participating in meetings offered informed, engaged and candid comments.
3. Colleagues in both institutions responded positively and conscientiously to the work conjoined by the strategic innovation development fund reporting in 2016.
4. Great strides that have been taken to sort out the financial affairs.
5. Quality Improvement Plan within the SAR is thorough and wide-ranging.
6. Stakeholders are extremely positive about the work of the College and their relationships with you.
7. Clear collegial engagement at the level of the NCAD UCD Joint Programmes Board.

Direction

- Health & Safety, a matter of serious concern.

Recommendations

1. Strategic issues
2. Committee structures
3. Review processes
4. Student engagement
5. Staffing
6. Teaching and Learning
7. Research
8. Facilities and Finance.

In response to the Review Panel's report, NCAD developed a Quality Improvement Plan. This is a working document, which the College will need to update on a 6-monthly basis and report on to the Quality Office at UCD.

The next Institutional Review will take place in autumn 2019. Therefore, NCAD will commence the process of self-assessment in the 2018-19 academic year.

Library Review

A peer review group examined the Library in July 2016. The main concerns of the panel were that of space, both for the Edward Murphy Library and for NIVAL. Furthermore, the panel recommended that NIVAL be relocated to a more suitable environment which would allow better interaction with the public.

In follow-up, in October 2017, the Library produced its Quality Improvement Plan, which was presented to An Bord. This will be updated on a regular basis.

College Strategy

The process of exploring the basis for a College Strategy commenced under the leadership of the Acting Director Bernard Hanratty. The outcomes of this process are available as an informant of the College Strategy to be developed by the incoming Director.

NCAD Gallery Activity

NCAD Gallery hosted a number of exhibitions during the year including:

- **PELARS* Patterns of Learning -Thursday, 23rd March - Tuesday, 28th March 2017**
An exhibition showcasing the results of the PELARS* project presented by the NCAD's Product Design Department.
- **Shape the Future - Friday, 3rd March - Monday, 20th March 2017**
An exhibition of new work by twenty of Ireland's most exciting and creative designer makers who have been awarded Future Makers prizes.
- **Asylum Archive - Tuesday, 6th December, 2016 - Dr Ronit Lentin | Activist Joe Moore | Artist Vukašin Nedeljković | Prof Aislinn O'Donnell.**
An exhibition event of presentations from invited panellists.

Full details of all NCAD Gallery events can be found at <http://www.ncad.ie/about/gallery/>.

The NUI Art and Design Prize 2017

The NUI Purchase Prize is awarded annually for a piece of work by a graduate of NCAD who has distinguished him or herself. Final year students are automatically eligible for consideration for the Prize. The recipient of the 2017 NUI Art and Design Prize was Du Jingze for his painting 'Images/reflets dans l'eau'.

NCAD Staff Prize 2017

The NCAD Staff Prize for students was set up in 1994 and is funded by voluntary contributions from some of the NCAD staff. Students are nominated by their Schools/Departments for consideration for the award of the Prize in their final year, and from those nominated, a Selection Committee looks for one student who meets the criteria for the award. The 2017 Staff Prize was awarded to two students: Sarah O'Neill, Visual Communication and Anne Ebeling, Media who were each awarded €1,000. The remaining seven nominated students each received €100 as runners-up.

The Edward Murphy Library and NIVAL

Strategic development | Fund raising

The 2016 Quality Assurance Review of the Library continued with a draft Quality Improvement Plan in response to the report of the Peer Review Group. Foremost among the recommendations was the provision of better and additional space for collections and services and an increase in and restructuring of staffing resources.

The Department of Arts, Culture, Regional, Rural & Gaeltacht Affairs awarded funding of €120,000 to NIVAL under the Arts & Culture Capital Scheme for the relocation to a more suitable and street-facing accommodation on campus.

The Arts Council awarded revenue funding of €56,700 to NIVAL for the period January to December 2017. This represents stand-still funding on the previous year.

NIVAL: Cataloguing | Digitisation

The digitisation of rare and unique archival collections is now central to NIVAL's activities. A large scale project commenced to conserve the *Patrick Scott Archive* including digitisation of the artist's extraordinary scrapbook. Building on the success of NIVAL's membership of the Digital Repository of Ireland (DRI), a project to list and digitise the *Egan Gallery Collection* was completed and ingested into the repository. Other digitisation projects have been carried out on the *Jan de Fouw Collection*, the *Cor Klaasen Collection*, and a sample of the 900+ items in the *Artists Books Collection*. A project has been initiated to gain bibliographic control of the 600+ items in the *Evie Hone Library*, one of NIVAL's special collections.

Acquisitions | Deposits | Bequests

A number of significant collections were added to NIVAL through acquisition or deposit: The studio contents of the late sculptor Peter Grant, teacher at DMSA/NCA(D); primary source documentation relating to artists Sara Horgan, John Coyle, Patrick Pollen, George Potter; the complete administrative records of the Art Teachers' Association of Ireland; a quantity of large-scale original drawings for stained glass by Gerald O'Byrne, graduate of DMSA and employee at Earley and Co.; rare Irish art and design-related posters from the 1960s, 70s, 80s from the late art collector George McClelland; ephemera and posters from The Library Project.

Outreach | Exhibitions

IMMA/NIVAL : ROSC 50 - 1967 / 2017. NIVAL partnered with Irish Museum of Modern Art on a programme of events marking the 50th anniversary since the first ROSC exhibition including the awarding of artists' commissions to Amanda Coogan, Emma Haugh, Christodoulos Makris, Nathan O'Donnell and Suzanne Walsh.

Art Libraries Society (ARLIS) UK & Ireland Dublin conference

Library staff contributed to this annual event with several conference papers and participation on the organising committee. On campus events included a talk by artist Aideen Barry, an exhibition from the Artists' Books Collection, and a letterpress demonstration by Jamie Murphy in Distillers' Press.

Administration Report

Audit of Financial Statements

The audit of the financial statements for 2012/2013 was approved at a meeting of An Bord on 29th July 2016. The programme of work for the audit of the 2013/14 financial statements was completed during the year.

Governance

An Bord approved the following at its meeting held on 7th October 2016: An Bord Terms of Reference; Audit and Risk Committee Terms of Reference; Internal Audit Charter.

Budget

At an incorporeal meeting of An Bord held on 30th April, 2017 it was agreed to appoint a Financial Consultant to urgently advise the board on financial matters.

An Bord approved the 2017-2018 budget for submission to the HEA, with caveats, at its meeting held on 7th July, 2017.

Audit and Risk Committee

The Audit and Risk Committee met eight times from October 2016 to September 2017.

HEA Compact 2014-2016

The College met the Panel of Experts who reviewed the College's Strategic Dialogue Cycle 3 submission on 12th September 2016. The College was represented by Bernard Hanratty, Damian Downes, Dr Siún Hanrahan and Professor Dervil Jordan. The HEA requested that the College address a number of issues generic to the HEIs and others specific to NCAD.

An updated Compact was submitted to the HEA which contained an update on the progress with regard to the agreed objectives. The College also had a positive meeting on the Compact with the HEA Review Panel.

Annual Report under the Protected Disclosures Act 2014

One protected disclosure was made to the College for the year ended 31st December 2017.

Strategic Plan

The College held a Strategy Day on 24th October, 2016 facilitated by Mark Sobczyk of Brand Engine and attended by staff representing all Departments in the College together with the President and Vice-President of NCAD Students' Union.

Buildings Report

Health and Safety

Arising from the Report from the Institutional Review, a direction was given in April 2017 regarding health and safety in the College. UCD required NCAD to take expeditious and effective action to remedy the issues.

Following the direction received, An Bord directed that health and safety remediation works be prioritised and completed as a matter of urgency. NCAD undertook a full and comprehensive analysis of health and safety and fire safety compliance, and management within the organisation and the HEA requested a fully costed, comprehensive set of plans for health and safety remediation works in the College.

As reports on each building came in, it showed that whilst none of the buildings on campus needed to be closed, there was a programme of work needed which could be spread out over a period of time. The Department of Education and Skills, HEA and UCD were kept up-to-date on health and safety matters.

Premises

With the support of Diageo, the Rupert Guinness Theatre opened on Monday, 19th September. This provides a large capacity lecture space to the College, which it does not have on the Thomas Street campus.

An Bord approved the cost for expenditure on the Dilapidations Schedule for John Street West School.

Derelict Sites Act

Dublin City Council raised concerns regarding the appearance and condition of street facing elevations of the NCAD Alkin Site. An Bord subsequently approved the appointment of an architect to assist in developing proposals for the site for review by Dublin City Council.

Facilities

Sporadic heavy rainfall throughout the year contributed to serious incidents of water damage in NIVAL and the off-site storerooms of the Edward Murphy Library.

Campus Space Issues

At its meeting on 7th October, 2016 An Bord approved a spend of €20,000 for a broader Campus Development Plan

Selected Student/Graduate Achievements

Student Accomplishments

NCAD students continue to be recognised at a national and international level. Highlights include:

Olympics

NCAD was proud to have two Olympians from amongst its community: Brian Keane (Print) represented Ireland in the Triathlon and Orla Comerford (First Year) represented Ireland in the 100m T-13 in the Paralympics.

International Society of Typographic Designers

NCAD Visual Communication student Conor Foran received International Society of Typographic Designers (ISTD) membership with a Commendation (the only one awarded in Ireland in almost a decade) while Liam Trumble and Phelim McGovern each received ISTD Membership with Merit (two of only three awarded in Ireland). A further seven NCAD students were awarded membership including: Daniel Eames, Alana McDonough, Leah Downing, Deirdre Rawle, Tadhg Murray, Finn Mullan and Lucas Garvey. This placed NCAD as the number 2 ranked international institution in this category.

Design and Crafts Council of Ireland Futuremakers Awards

Caoimhe McGuckin, studying Jewellery and Metalwork, was presented with the Future Makers Student of the Year Award 2017 (€2,000).

Adele Walsh, a Ceramics student, was presented with the Innovation Award (€1,000).

The Design Award (€1,000) was given to Fashion Design student Caoimhe Hill.

Residency Support (€1,000) was presented to Ceramics & Glass student Sophie Kate Curran.

Materials Supports (€500) were each presented to: Georgia Dunne (Textile Surface Design & Visual Culture); Laoise Carey (Fashion Design); Marie O'Rourke (Glass and Ceramics) and Rachel Blanckensee (Fashion Design).

Dan Eames, a BA (Hons) Design & Visual Culture student, received Exhibition Support (€500).

Design and Crafts Council of Ireland Graduate Awards

Pearl Reddington (Fashion Graduate), won the Design Award, the Imagined Futures Award was won by Pierce Healy (Jewellery & Metalwork Graduate) and Aisling McGloughlin (Jewellery & Metalwork Graduate) was awarded Residency Support.

Design History Society

Design History and Material Culture MA graduate Alison Mac Cormaic has been awarded the 2017 Design History Society prize for the best essay by a postgraduate student.

The Thomas Dammann Junior Memorial Trust

The Thomas Dammann Junior Memorial Trust was established in 1985. The trustees make awards for research projects in art and design. In 2017 approximately 190 applications were received and the trust made 20 awards. In 2017, the trustees made the following awards to NCAD undergraduates, postgraduates and recent graduates:

Aoife Banks BA Joint Course Textile Art & Artefact, Fine Art and Visual Culture: €2,000

Darragh Dempsey MFA in Media, Fine Art: €2,420

Loretta Moore MA ACW, Visual Culture: €480

Maia Nunes BA Textile Art & Artefact, Fine Art: €2,720

Ann Quinn BA Painting, Fine Art: €756

Sven Sandberg MFA Painting, Fine Art: €500

Vici Waterstone BA MFA Fine Art: €500

Anna West BDes Craft, Design: €2,000

British Book Design and Production Awards

Visual Communication graduate, Aisling Lee was named as the 2016 winner of the Best Student Book category at the prestigious Best British Book Design & Production Awards ceremony held (10.11.16) at the Jumeirah Carlton Tower Hotel in Knightsbridge, London.

Also shortlisted for the Best Student Book award were graduates Alexandra Morehead and Diane Dear. The three shortlisted students from NCAD worked with technician Jamie Murphy from Distillers Press, the world renowned typography and letterpress print workshop located within the NCAD Department of Visual Communication.

The Undergraduate Awards

Vivienne Molloy, a graduate from the School of Fine Art/Department of Applied Material Culture was named the Global Winner in the Visual Arts category of The Undergraduate Awards.

RSA Student Design Awards

Dan Eames, a BA (Hons) Design & Visual Culture student, received a commendation in these global design awards.

River Island Bursary

Caoimhe Hill was the recipient of the River Island Bursary worth €3,500 plus a three-month paid internship in London.

Brown Thomas 'Designer to Watch' Bursary Prize Winners

Brown Thomas 'Designer to Watch' bursary was split between two students in 2017. The first prize of €3,000 was awarded to Laoise Carey, who was chosen for the collection 'Eidolon'. Colin Burke was awarded €1,000 as runner-up for his collection 'Born in 32'. For both students, the prize included an installation of designs in CREATE at Brown Thomas in July 2017 and a mentoring programme with the management team.

RCA Bursary/Kildare Village Award

Andrew Bell - Fashion Graduate 2014

Parsons New York Bursary Award

Aideen Gaynor - Fashion Graduate 2016

Dublin Fashion Festival Young Designer of the Year Award

Jessica Donnelly won the Dublin Fashion Festival Young Designer of the Year Award.

Institute of Designers in Ireland (IDI) Graduate Awards

Five Product / Industrial Design graduates were awarded IDI Graduate awards. Category wins were in the following areas:

- Sarah Twaddell and Megan Sands - Product Design Commercial
- John Godfrey - Product Design Social
- Catherine Grogan - Product Design Furniture
- Jade Yeats - User Interface/User Experience
- Ross Dowd - Universal Design

Twelve Visual Communication students were shortlisted across 7 categories at the IDI Graduate awards:

- Eulich McGeown – Winner in the Digital Design/UX Design Category for: *761: A virtual typographic experience of the Anne Frank Diary*
- Ailbhe Keane, Izzy Wheels Animation – Highly Commended in the Animation and Motion Design category.
- Alexandra Morehead, Highly Commended in the Book Design category for: *Little Boy*.
- Jamie Smyth, Highly Commended in the Typography category.

Film Video Umbrella Jerwood Award

Patrick Hough, Media Department won this prestigious U.K. award.

Fire Station Digital Media Award

Hannah Brady won the Fire Station Digital Media Award.

RDS Visual Art Award Winners 2016

NCAD graduate Elaine Hoey, was the winner of the 2016 €10,000 RDS Taylor Art Award, announced at the launch of the inaugural RDS Visual Art Awards exhibition. Joining Elaine were Sven Sandberg and Michelle Hall who shared the €6,000 prize money of the R.C. Lewis-Crosby Award.

Aoife Dunne won the RDS Monster Truck Studio Award which comprises of a free studio for one year in Monster Truck Studios on Dublin's Francis Street and a €2,000 stipend courtesy of the RDS.

Student Statistics

1. Number of Undergraduate Certificate & Diploma Students: (Part-Time)

	2013/14	2014/15	2015/16	2016/17
Male	33	28	31	35
Female	119	109	127	111
Total	152	137	158	146

2. Number of Full-Time Undergraduate Students: (BA & BDes)

	2013/14	2014/15	2015/16	2016/17
Male	295	329	309	230
Female	621	719	766	654
Total	916	1048	1075	884

3. Number of Postgraduate Students:

	2013/14	2014/15	2015/16	2016/17
Male	51	36	52	50
Female	121	116	106	102
Total	172	152	158	152

4. Number of Continuing Education Students:

	2013/14	2014/15	2015/16	2016/17
Total	436**	347**	572**	319**

*Includes Summer, Autumn and Easter Courses.

** Non-Credit Short Courses

5. Full-Time Students:

	2013/14	2014/15	2015/16	2016/17
Undergraduate	909	1048	1075	884
Postgraduate	135	125	143	130
Total	1044	1173	1218	1014

6. Part-Time Students:

	2013/14	2014/15	2015/16	2016/17
Undergraduate	7	0	0	0
Postgraduate	37	27	15	22
Total	44	27	15	22

Financial Statements

The audited financial statements for the year ended 30 September 2017 form part of this report.

NBA IN DUBLIN

National Basketball Association of America

FINANCIAL STATEMENTS FOR
THE YEAR ENDED 30 SEPTEMBER
2017

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHACHA
NATIONAL COLLEGE OF ART AND DESIGN
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

College Information

Address National College of Art and Design
100 Thomas Street
Dublin 8
D08 K521

Auditors Comptroller and Auditor General
3A Mayor Street Upper
Dublin 1

Bankers Bank of Ireland
85 James Street
Dublin 8

Solicitors St John Solicitors
14, City Gate
Lower Bridge Street
Dublin 8

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHA
NATIONAL COLLEGE OF ART AND DESIGN
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

INDEX	Page
Governance Statement and Board Members' Report	2-8
Report of the Comptroller and Auditor General	9-11
Statement on the System of Internal Financial Control	12-15
Statement of Income and Expenditure	16
Statement of Comprehensive Income	17
Statement of Changes in Reserves and Capital Account	18
Statement of Financial Position	19
Statement of Cash Flows	20
Notes to the Financial Statements	21-41

Governance Statement and Board Members' Report

Governance

An Bord of the National College of Art and Design was established under the National College of Art and Design Act, 1971. The functions of An Bord are set out in section 5 of this Act. An Bord is accountable to the Minister for Education and Skills and is responsible for ensuring good governance and performs this task by setting strategic objectives and targets and taking strategic decisions on all key business issues. The regular day-to-day management, control and direction of the National College of Art and Design are the responsibility of the Director and the senior management team. The Director and the senior management team must follow the broad strategic direction set by An Bord, and must ensure that all members of An Bord have a clear understanding of the key activities and decisions related to the entity, and of any significant risks likely to arise. The Director acts as a direct liaison between An Bord and management of the National College of Art and Design.

Responsibilities of An Bord

The work and responsibilities of An Bord are set out in its Terms of Reference which also contain the matters specifically reserved for decision of An Bord. Standing items considered by An Bord include:

- declaration of interests,
- reports from committees,
- financial reports/management accounts.

Section 15 (1) of the National College of Art and Design Act, 1971 requires An Bord to keep, in such form as may be approved by the Minister for Education and Skills with consent of the Minister for Public Expenditure and Reform, all proper and usual accounts of all money received and expended by it.

In preparing these financial statements, An Bord is required to:

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that it will continue in operation, and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

An Bord is responsible for keeping adequate accounting records which disclose, with reasonable accuracy at any time, its financial position and enables it to ensure that the financial statements comply with Section 15 (1) of the National College of Art and Design Act, 1971. The maintenance and integrity of the corporate and financial information on the College's website is the responsibility of An Bord.

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHACHA
NATIONAL COLLEGE OF ART AND DESIGN
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

An Bord is responsible for approving the annual plan and budget. The annual budget for the financial year 2016/17 was approved by An Bord on 29th July 2016.

An Bord is also responsible for safeguarding its assets and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

An Bord considers that the financial statements of the National College of Art and Design give a true and fair view of the financial performance and the financial position of the College at 30 September 2017.

An Bord Structure

An Bord consists of a Chairperson, five ordinary members all of whom are appointed by the Minister for Education and Skills, along with two academic staff representatives, two student representatives, the Director of the College and one non-academic staff observer. The members of An Bord were appointed for a period of three years and meet for a minimum of 10 sessions a year. The table below details the appointment period for current members:

Board Member	Role	Date appointed	Date of retirement or re-appointment
Richard Thorn	Chairman	23 rd March 2018	
Frederick Goltz	Ordinary Member	23 rd March 2018	
Jane McDaid	Ordinary Member	23 rd March 2018	
Darragh Hogan	Ordinary Member	23 rd March 2018	
Sinéad Ryan	Ordinary Member	23 rd March 2018	
Christine O'Donovan	Ordinary Member	23 rd March 2018	
Declan Long	Academic Member	23 rd March 2018	

COLÁISTE Náisiúnta Ealaíne is Deartha
NATIONAL COLLEGE OF ART AND DESIGN
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

Board Member	Role	Date appointed	Date of retirement or re-appointment
Rachel Tuffy	Academic Member	15 th June 2015	23 rd March 2018– Re-appointment
Grainne Murphy	Student Representative	5 th February 2016	23 rd March 2018 – Re-appointment
Sonia O'Dwyer	Student Representative	23 rd March 2018	
Mark Carroll	Non-Academic observer	15 th June 2015	23 rd March 2018– Re-appointment
Sarah Glennie	Director	1 st January 2018	
Professor Niamh Brennan	Chairman	15 th June 2015	1 st March 2018 – Retirement
Karen Furlong	Ordinary Member	15 th June 2015	1 st March 2018 – Retirement
Mary Dorgan	Ordinary Member	15 th June 2015	1 st March 2018 – Retirement
Ian Power	Ordinary Member	15 th June 2015	1 st March 2018 – Retirement
Blaise Smith	Ordinary Member	15 th June 2015	29 th September 2017 - Resigned
Professor Mark Rogers	Ordinary Member	15 th June 2015	30 th March 2017 - Resigned

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHACHA
NATIONAL COLLEGE OF ART AND DESIGN
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

Board Member	Role	Date appointed	Date of retirement or re-appointment
Bernard Hanratty	Interim Director	1 st March 2016	4 th August 2017 – Resigned
Adrienne Eacrett	Student Representative	15 th June 2015	28 th October 2016 - Retirement
Ross Golden Bannon	Student Representative	30 th November 2016	8 th December 2017- Resigned
Oliver Whelan	Academic Member	15 th June 2015	1 st March 2018 – Retirement

An Bord commenced a Board Effectiveness and Evaluation Review in January 2018, which was the first review of this nature. A second review will be undertaken by the current Board in January 2019 with an external review in 2020.

An Bord has established one committee, as follows:

1. Audit and Risk Committee (ARC): comprises three members of An Bord and one independent member. The role of the ARC is to support An Bord in relation to its responsibilities for issues of risk, control and governance and associated assurance. The ARC is independent from the financial management of the organisation. In particular, the Committee ensures that the internal control systems including audit activities are monitored actively and independently. The ARC reports to An Bord after each meeting, and formally in writing annually. The current members of the Audit and Risk Committee are: Frederick Goltz (Chairperson), Darragh Hogan, Sinéad Ryan and Séan Quigley. During the reporting period the members of the Audit and Risk Committee were: Karen Furlong (Chairperson), Ian Power, Mary Dorgan and Séan Quigley. There were seven meetings of the ARC in 2017.

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHACHA
NATIONAL COLLEGE OF ART AND DESIGN
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

Schedule of Attendance, Fees and Expenses

Members An Bord do not receive a fee. A schedule of attendance at An Bord and Committee meetings for 2017 is set out below including the expenses received by each member:

	An Bord	ARC	Expenses 2017
			€
Number of Meetings	Fourteen	Seven	
Niamh Brennan	14		
Mary Dorgan	12	6	€1,407
Karen Furlong	12	7	
Ian Power	11	7	
Mark Rogers	5		
Blaise Smyth	12		€ 637
Rachel Tuffy	11		
Oliver Whelan	10		
Bernard Hanratty	9		
Grainne Murphy	14		
Sean Quigley	0	5	
Ross Golden Bannon	10		
Adrienne Eacrett	0		

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHACHA
NATIONAL COLLEGE OF ART AND DESIGN
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

Key Personnel Changes

The Board appointed in 2015 came to its natural conclusion on the 1st March 2018. Only two members of An Bord have been re-appointed to the current Board. Two members of An Bord resigned during the reporting period and were not replaced. The Interim Director's term of office came to a conclusion on the 4th August 2017 and a new Director was appointed, with a start date of 1st January 2018. Two senior staff members of NCAD acted up as locum directors to cover the gap.

Disclosures Required by Code of Practice for the Governance of State Bodies (2016)

An Bord is responsible for ensuring that the College has complied with the requirements of the Code of Practice for the Governance of State Bodies ("the Code"), as published by the Department of Public Expenditure and Reform in August 2016. The following disclosures are required by the Code:

Employee Short-Term Benefits Breakdown – See note 7

Consultancy Costs – See note 26

Legal Costs and Settlements – not applicable in reporting period

Travel and Subsistence Expenditure – See note 25

Hospitality Expenditure – See note 27

Statement of Compliance

An Bord has adopted the Code of Practice for the Governance of State Bodies (2016) and has put procedures in place to ensure compliance with the Code. An Bord has reviewed its compliance with the Code and has identified a number of areas where it is not fully compliant and the necessary steps are being undertaken to address these.

- A strategic plan for the National College of Art and Design is being developed and is expected to be approved by An Bord in 2019.
- The Statement of Internal Control will be included in the Chairman's comprehensive report to the Minister for Education and Skills.
- Board packs are made available to all members of An Bord. Training for Board members will take place in early 2019 and the packs will be reviewed at that stage.
- While codes of conduct are in place, they have not yet been published on the website. It is expected that they will be published before the end of 2018.
- The written charter setting out the roles and responsibilities of the ARC is being reviewed for completeness.
- A standard letter of appointment is being put in place for Members newly appointed to the ARC.
- A register is being put in place of all Board positions of State funded bodies held by staff.

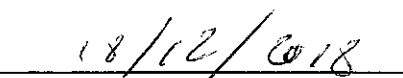
COLÁISTE NÁISIÚNTA EALAÍNE IS
DEARHTHA NATIONAL COLLEGE OF ART
AND DESIGN

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

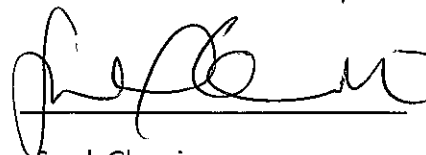
- Other matters related to internal controls where the College is not fully compliant are set out in the Statement of Internal Control.



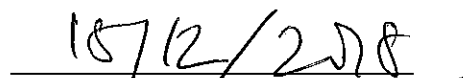
Richard Thorn,
Chair of An Bord



Date



Sarah Glennie,
Director



Date



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

National College of Art and Design

Opinion on financial statements

I have audited the financial statements of the National College of Art and Design for the year ending 30 September 2017 as required under the provisions of the National College of Art and Design Act 1971. The financial statements comprise

- the statement of income and expenditure
- the statement of comprehensive income
- the statement of changes in reserves and capital account
- the statement of financial position
- the 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 College at 30 September 2017 and of its income and expenditure 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

Without qualifying my opinion on the financial statements, I draw attention to Note 16 Retirement Benefits.

The pension schemes operated by the College are on a defined benefit basis and consist of an unfunded superannuation scheme and the Single Public Service Pension Scheme (Single Scheme).

The recognition of the deferred pension funding asset in respect of the Single Scheme reflects statutory provisions relating to the funding of that scheme. The recognition of an asset in respect of the other scheme 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 College 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.

Emphasis of matter – going concern

Without qualifying my opinion on the financial statements, I draw attention to Note 1 (c) Going concern. The College incurred a deficit for the year of €444,000 and had an accumulated deficit of €1 million at 30 September 2017. The note outlines the basis upon which the Board is satisfied that the College remains a going concern.

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 College and have fulfilled my other ethical responsibilities in accordance with the standards.

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



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

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

The College has presented certain other information together with the financial statements. This comprises the governance statement and Board members' report, and the statement on internal control. 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.

Governance issues

The governance statement and the statement on internal control disclose that the College was not fully in compliance with the *Code of Practice for the Governance of State Bodies 2016* and set out the actions being taken by the College to address those matters.

**Seamus McCarthy
Comptroller and Auditor General**

21 December 2018

Appendix to the report

Responsibilities of Board members

The statement of Board members' responsibilities sets out the Board members' responsibilities. The Board members are responsible for

- the preparation of financial statements in the form prescribed under section 15 (1) of the National College of Art and Design Act 1971
- 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 section 15 (2) of the National College of Art and Design Act 1971 to audit the financial statements of the National College of Art and Design 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 National College of Art and Design'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 National College of Art and Design 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 State bodies in relation to their management and operation. I report if there are 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 there is 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.

Statement on Internal Control

Scope of Responsibility

On behalf of the National College of Art and Design I acknowledge An Bord's responsibility for ensuring that an effective system of internal control is maintained and operated. This responsibility takes account of the requirements of the Code of Practice for the Governance of State Bodies (2016).

Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a tolerable level rather than to eliminate it. The system can therefore only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded and that material errors or irregularities are either prevented or detected in a timely way.

The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform has been in place in the College for the year ended 30 September 2017 and up to the date of approval of the financial statements except for the internal control issues outlined below.

Capacity to Handle Risk

The College has an Audit and Risk Committee (ARC) comprising three Board members, one of whom is the Chair, and one external member, with financial and audit expertise. The ARC met seven times in 2016/17.

The College has outsourced its internal audit function which conducts a programme of work agreed with the ARC to ensure a comprehensive and effective internal audit work programme is carried out. In 2016/17, the ARC considered two internal audit reports. The remainder of the Committee's time was focused on the corrective actions and remediation to ensure the College was making progress with governance, risk register and internal controls.

The ARC has developed a risk management policy which sets out its risk appetite, the risk management processes in place and details the roles and responsibilities of staff in relation to risk. The policy has been issued to all staff who are expected to work within the College's risk management policies, to alert management on emerging risks and control weaknesses and assume responsibility for risks and controls within their own area of work. The ARC signed off the risk policy in January 2017.

Risk and Control Framework

The College has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks.

The College's risk register was completed in October 2017. This is reviewed and managed by both the College Management Team and the Audit and Risk Committee. The Chief Risk Officer was nominated as the College Secretary and Registrar by An Bord when the risk policy was approved in January 2017.

The risk register details the controls and actions needed to mitigate risks and responsibility for operation of controls assigned to specific staff. I confirm that a control environment containing the following elements is either in place or under development with a completion date set for 2019:

- procedures for all key business processes have been documented - Completed
- financial responsibilities have been assigned at management level with corresponding accountability - In development
- there is an appropriate budgeting system with an annual budget which is kept under review by senior management - In development
- there are systems aimed at ensuring the security of the information and communication technology systems - In development
- there are systems in place to safeguard the assets - In development

Ongoing Monitoring and Review

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management and An Bord, where relevant, in a timely way. I confirm that the following ongoing monitoring systems is in place:

- key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies.

The following monitoring systems are in development:

- reporting arrangements at all levels where responsibility for financial management has been assigned, and
- regular reviews by senior management of periodic and annual performance and financial reports will indicate against budgets/forecasts.

Procurement

I confirm that the College has procedures in place to ensure compliance with current procurement rules and guidelines. Matters arising regarding controls over procurement are highlighted under internal control issues below.

Review of Effectiveness

The College's monitoring and review of the effectiveness of the system of internal control is informed by the work of the internal and external auditors, the Audit and Risk Committee which oversees their work, and the senior management within the College responsible for the development and maintenance of the internal financial control framework.

I confirm that the Board conducted an annual review of the effectiveness of the internal controls for 2016/17. The Chair of the ARC reported the findings of the internal audit review of the internal financial controls in place at year end 2016/17 to the Board. This was then incorporated into the governance action plan which is the main driver for remediation works for corporate governance failings.

Internal Control Issues

NCAD acknowledges that control weaknesses were identified in August 2014 during the 2011/12 audit process, with the following areas being considered to be of particular concern: Fixed Assets; Audit Committee; Purchasing and Procurement; Documented Procedures; Risk Register; certain book-keeping practices; HR and payroll controls; and student fee record keeping. These could not all be addressed sufficiently early to make improvements in the 2016/17 accounting year. Specific disclosures in respect of 2016/17 are listed below.

Fixed Assets

Prior to 2014, there was no written fixed assets policy or fixed asset register, leading to significant inconsistencies in accounting for fixed assets. A fixed asset register has now been prepared, which ties back fully to the financial statements. This still has some weaknesses as the assets are not tagged and their locations are not recorded on the register. Progress has been made in remediating these weaknesses and subject to available resources within the College they will be fully addressed in 2019. In addition, NCAD has identified a need to improve the management of asset disposals. A new position in the finance team currently under recruitment will have responsibility for managing the fixed assets register and asset disposals.

Procurement

During the 2016/17 Financial Year, National Procurement Guidelines were not consistently complied with. Due to control issues, 7 suppliers were not procured in compliance with government and EU guidelines. These suppliers were paid a total of €423,000 or 15% of all procurement within the College. Further developmental work is on-going within the College to ensure greater compliance year on year. A contracts database of all contracts in excess of €25,000 is being established.

**COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHA
NATIONAL COLLEGE OF ART AND DESIGN**

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

Lack of Formal Procedures

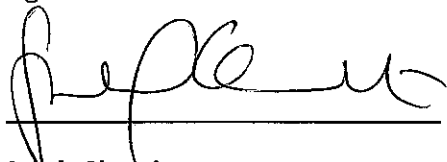
For the financial year 2016/17 HR and Payroll policies and procedures were in the process of being approved at Union level. At year end 2017/18 most policies and procedures are operational, there are 3 remaining policies which are in final consultation with the Union. A programme of training for staff in relation to the implementation of the policies will commence in early 2019.

There are weaknesses in record keeping within the HR function and due to both the HR and Payroll functions being outsourced to external service providers, these weaknesses still need to be addressed.

The College has recently appointed a Head of HR who started with the College in September 2018. This post has been tasked with addressing the shortfall in policies and procedures and progress for 2018/19 is expected to be marked. It is expected that a performance management and development system will be operational for the 2019/20 academic year.

The College has also recently appointed a payroll administrator and is working to bring payroll back within the College. This too will enhance controls and provide better assurance to all stakeholders. There were significant control weaknesses around reporting functionality from the payroll system.

Signed on behalf of An Bord:



Sarah Glennie

Director

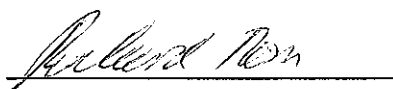
Date: 18/12/2018

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHA
NATIONAL COLLEGE OF ART AND DESIGN
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 SEPTEMBER 2017

	Notes	2017 €000	2016 €000
INCOME			
State Grants	4	6,824	6,605
Academic Fees	3	7,374	9,162
Amortisation of Capital Account		477	375
Research Grants and Other Contracts	5	345	305
Deferred Funding for Retirement Benefits	16(c)	1,692	1,926
Other Income	6	129	242
Total Income		16,841	18,615
EXPENDITURE			
Staff costs	7	10,057	10,146
Retirement benefit costs	16(a)	3,439	3,814
Other operating expenses	8	3,260	3,686
Depreciation	11	529	402
Total Expenditure		17,285	18,048
Surplus / (Deficit) for the year		(444)	567

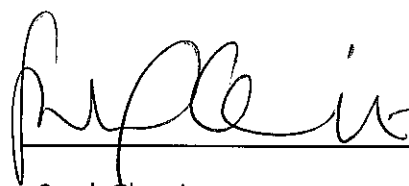
The Statement of Cash flows and notes 1-28 form part of these financial statements.

Signed on behalf of An Bord:



Richard Thorn,
Chair of An Bord

18/12/2018
Date



Sarah Glennie,
Director

18/12/2018
Date

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHA
NATIONAL COLLEGE OF ART AND DESIGN
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2017

	Notes	2017 €000	As restated 2016 €000
Surplus / (Deficit) for the year		(444)	567
Actuarial gains / (loss) on retirement benefit obligations	16(d)	2,788	(12,686)
Adjustment to deferred retirement benefits funding	16 (b)	(2,788)	12,686
Total Comprehensive Income in the year		<u>(444)</u>	<u>567</u>

The Statement of Cash flows and notes 1-28 form part of these financial statements.

Signed on behalf of An Bord:



Richard Thorn,
Chair of An Bord

18/12/2018
Date



Sarah Glennie,
Director

18/12/2018
Date

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARHA
NATIONAL COLLEGE OF ART AND DESIGN
STATEMENT OF CHANGES IN RESERVES AND CAPITAL ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2017

	Capital Account	Restricted Reserves	Income and Expenditure Reserve	Total
	€000	€'000	€000	€000
Balance at 1 October 2015	20,037	228	(1,184)	19,081
Surplus / (Deficit) from the Statement of Income and Expenditure	-	-	567	567
Amortisation of capital account	(375)	-	-	(375)
State grant allocated to capital	177	-	-	177
Restricted Funds Received		7	(7)	-
Transfers between Reserves		(10)	10	-
Balance at 30 September 2016	19,839	225	(614)	19,450
Surplus / (Deficit) from the Statement of Income and Expenditure	-	-	(444)	(444)
Amortisation of capital account	(477)	-	-	(477)
State grant allocated to capital	304	-	-	304
Transfers between Reserves	-	(31)	31	-
Balance at 30 September 2017	19,666	194	(1,027)	18,833

The Statement of Cash flows and notes 1-28 form part of these financial statements.

Signed on behalf of An Bord:



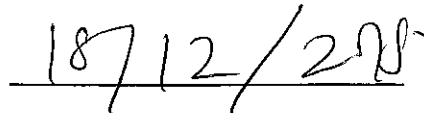
Richard Thorn,
Chairperson of An Bord



Date



Sarah Glennie,
Director



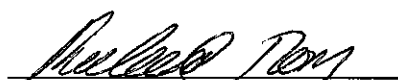
Date

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARHA
NATIONAL COLLEGE OF ART AND DESIGN
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 SEPTEMBER 2017

	Notes	2017 €000	2016 €000
Fixed Assets			
Property, plant and equipment	11	19,717	19,942
Heritage assets	12	9	9
		<u>19,726</u>	<u>19,951</u>
Current Assets			
Receivables	13	1,123	1,153
Cash and cash equivalents	17	1,297	2,196
		<u>2,420</u>	<u>3,349</u>
Current Liabilities: amounts falling due within one year	14	(3,313)	(3,850)
		<u>(3,313)</u>	<u>(3,850)</u>
Total current assets less current liabilities		(893)	(501)
Total Assets less Current Liabilities		<u>18,833</u>	<u>19,450</u>
Retirement Benefits			
Deferred Pension Funding	16 (d)	86,266	87,362
Pension Liabilities	16 (b)	(86,266)	(87,362)
Total net assets		<u>18,833</u>	<u>19,450</u>
Reserves and Capital Account			
Capital Account		19,666	19,839
Restricted Reserves		194	225
Income and Expenditure Reserve		(1,027)	(614)
		<u>18,833</u>	<u>19,450</u>

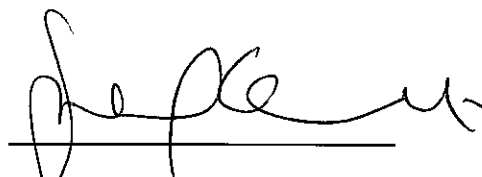
The Statement of Cash-flows and notes 1-28 form part of these financial statements.

Signed on behalf of the Board:



Richard Thorn,
Chair of An Bord

18/12/2018
Date



Sarah Glennie,
Director

18/12/2018
Date

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARHTHA
NATIONAL COLLEGE OF ART AND DESIGN
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2017

	Notes	2017 €000	2016 €000
Net cash flow from operating activities			
Surplus / (Deficit) for the year		(444)	567
Adjustment for non-cash items			
Depreciation	11	529	402
Amortisation of capital account		(477)	(375)
State funds allocated to capital	4	304	177
Decrease / (Increase) in receivables		30	188
(Decrease) / Increase in payables		(537)	(512)
Net cash flows from operating activities		(595)	447
Cash flows from investing activities			
Payments to acquire property, plant and equipment	11	(304)	(305)
Investment income		-	-
Net cash flows from investing activities		(304)	(305)
Net increase/(decrease) in cash and cash equivalents in the year		(899)	142
Cash and cash equivalents at 1 October 2016	17	2,196	2,054
Cash and cash equivalents at 30 September 2017	17	1,297	2,196

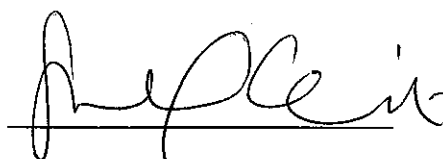
The Statement of Cash-flows and notes 1-28 form part of these financial statements.

Signed on behalf of the Board:



Richard Thorn,
Chair of An Bord

18/12/2018
Date



Sarah Glennie,
Director

18/12/2018
Date

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHÁ
NATIONAL COLLEGE OF ART AND DESIGN
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017
NOTES TO THE FINANCIAL STATEMENTS

1 SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

(a) General information and Statement of Compliance

The College was set up under the National College of Art and Design Act 1971 with its Head Office located on 100 Thomas Street, Dublin 8.

The working vision for NCAD is the force driving critical practise and radical innovation through excellence in art and design. NCAD shapes the material world domestically and internationally through inclusivity, public discourse and cultural engagement.

The financial statements have been prepared in accordance with FRS102, the financial reporting standard applicable in the UK and Ireland issued by the Financial Reporting Council (FRC), as promulgated by Chartered Accountants Ireland.

The College is a public benefit entity and has therefore applied the relevant public benefit entity requirements of FRS102.

The accounts are prepared in Euro, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest €1,000.

(b) Basis of preparation

The financial statements have been prepared under the historical cost convention, except for certain assets and liabilities that are measured at fair values as explained in the accounting policies below. The financial statements are in the form approved by the Minister for Education and Skills with the concurrence of the Minister for Finance under Section 15(1) of the National College of Art and Design Act, 1971.

(c) Going concern

The College incurred a series of operating deficits prior to 2014 which resulted in a cumulative deficit being carried forward for a number of years. The main factors contributing to the College's financial position were the decrease in State Funding of recurrent activities and the ongoing funding of the Staff Pension Liability by the College.

The financial statements of the College show a deficit for the year of €444,000 (2016: surplus of €567,000) and an income and expenditure reserve deficit of €1,027,000 (2016: deficit of €614,000).

The College has been engaged in ongoing discussions with the Higher Education Authority regarding the financial position of the College and has taken on a significant cost cutting programme and additional necessary steps to ensure that it operates with an income and expenditure reserve surplus in future periods.

On the basis of an increase in State grant funding in both 2017 and 2018 calendar year and steadying/growing student numbers attending the College in the academic years 2017/2018 and 2018/2019, An Bord consider it appropriate to have prepared these financial statements on a Going Concern basis.

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHA
NATIONAL COLLEGE OF ART AND DESIGN
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(d) (i) Land and Buildings

Land and buildings are stated at cost less accumulated depreciation, adjusted for any provision of impairment.

A valuation of College land and buildings was carried out by McNally Handy and Partners, Chartered Surveyors at an effective date of 1 October 2014, being the transition date for reporting under FRS 102. The College has elected to use this valuation as the deemed cost of College Land and Buildings as at the transition date. As a result the revalued buildings are being depreciated over their remaining useful life which at point of revaluation is 23 years. This translates to an effective depreciation rate being applied to the revalued buildings of 4.4%.

(d) (ii) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation, adjusted for any provision for impairment. Depreciation is provided on all property, plant and equipment, other than freehold land, at rates estimated to write off the cost less the estimated residual value of each asset on a straight line basis over their estimates useful lives, as follows:

Asset Category	Depreciation rate
Land	0% per annum
Buildings	2% per annum
Revalued Buildings at 01/10/14	4.4% per annum
Leasehold Improvements	25% per annum
Plant and Equipment	10% per annum
Furniture, Fixtures and Fittings	20% per annum
Computer Equipment	33.33% per annum

Residual value represents the estimated amount which would currently be obtained from the disposal of an asset after deducting estimated costs on disposal, if the asset were already of an age and in the condition expected at the end of its useful life.

If there is objective evidence of impairment of the value of an asset, an impairment loss is recognised in the Statement of Income and Expenditure.

(e) Heritage Assets

The College holds and maintains heritage assets such as books, paintings and artwork. Heritage assets acquired pre 1 October 2015 are not capitalised in the financial statements because it is considered that no reasonable value can be attributed to them owing to the lack of information on the original purchase cost. All costs incurred in relation to preservation and conservation are expensed as incurred.

In relation to Heritage asset additions acquired subsequent to 1 October 2015, the College capitalises these at either their cost (in the case of acquisitions made by the College) or their fair value (in the case of donations). Fair value is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. While valuations are completed by appropriate experts, given the characteristics of the assets and the diverse nature of the collection in what is invariably a limited transaction market, there is a high level of judgement involved in assigning fair values to the collection.

Donated heritage assets are capitalised with reference to their insurance value, as this approximates their fair value. Heritage assets valued at less than €5,000 are not capitalised in the financial statements.

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHA
NATIONAL COLLEGE OF ART AND DESIGN
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(f) Receivables

Receivables are recognised at fair value.

(g) Taxation

As an exempt charity, the College is not liable for corporation tax or income tax on any of its charitable activities. It is registered for value added tax, however, since the supply of education is an exempt activity on which no output tax is charged it is unable to recover input tax on the majority of its purchases. Certain research and commercial activities within the College are liable for VAT. Any input or output tax relating to these activities is returned to the Revenue by the College.

(h) Recognition of Income

State grants

State Grants for recurrent expenditure are allocated by the HEA on a calendar year basis. The grant reported in the Statement of Income and Expenditure is the amount determined to be appropriate to the relevant academic year, based on a 75%/25% split of the calendar year grant.

Other state grants are recognised on an accruals basis in line with the level of activity in the year.

Academic Fee Income

Academic Fee Income (including for Continuing Education in Art & Design), is recognised in the academic year to which it relates.

State research grants

Income from research grants and other contracts from the state is matched to expenditure and is included in the income of the year in which the related expenditure has been incurred.

Non-State research grants

Income from grants from non-state sources is recognised in the Statement of Income and Expenditure when performance related terms are met. If a restriction in use is specified but no performance related condition exists, the income is recorded in the Statement of Income and Expenditure when the College becomes entitled to the income.

Grants with unfulfilled performance related conditions are held as deferred income until such time as the conditions are met, at which point the income is recorded in the Statement of Income and Expenditure.

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHA
NATIONAL COLLEGE OF ART AND DESIGN
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Grants with restrictions are recorded within the Statement of Income and Expenditure on entitlement to the income and subsequently retained within a restricted reserve until such time that the expenditure is incurred in line with the restriction.

Donations and Endowments

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised in income when the College is entitled to the income. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer. Donations with no restrictions are recognised in income when the College is entitled to the funds.

Interest Income

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

(i) Employee benefits

Short term benefits

Short term benefits such as holiday pay are recognised as an expense in the year, and the benefits that are accrued at the year-end are included in the Payables figure in the Statement of Financial Position. There is no accrual for holiday pay in the year for academic staff due to the nature of their contracts.

Retirement benefits

The National College of Art and Design operates a defined benefit pension scheme, which is funded annually on a pay as you go basis from monies available to it including monies provided by the Higher Education Authority and from pension contributions deducted from staff salaries.

Pension costs reflect pension benefits earned by employees in the period and are shown net of staff contributions which are retained by the College. An amount corresponding to the pension charge is recognised as income to the extent that it is recoverable and offset by grants received in the year to discharge pension payments.

Actuarial gains or losses arising on scheme liabilities are reflected in the Statement of Comprehensive Income and a corresponding adjustment is recognised in the amount recoverable from the Higher Education Authority.

Pension Liabilities represent the present value of future payments earned by staff to date. Deferred pension funding represents the corresponding asset to be recoverable in future periods from the Higher Education Authority.

The National College of Art and Design also operates the Single Public Service Pension Scheme (Single Scheme) which is the defined benefit pension scheme for pensionable public servants appointed on or after 1 January 2013. Single Scheme member's contributions are paid over to the Department of Public Expenditure and Reform.

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARHTHA
NATIONAL COLLEGE OF ART AND DESIGN
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(j) Operating Leases

Rental expenditure under operating leases is recognised in the Statement of Income and Expenditure over the life of the lease. Expenditure is recognised on a straight-line basis over the lease period, except where there are rental increases linked to the expected rate of inflation, in which case these increases are recognised when incurred. Any lease incentives received are recognised over the life of the lease.

(k) Foreign Currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the financial year end are reported at the rates of exchange prevailing at that date.

(l) Capital Account

The capital account represents the unamortised value of state funding allocated for property, plant and equipment.

(m) Agency arrangements

The College acts as an agent in the collection and payment of support funds. Related payments received from HEA and subsequent disbursements to students are included in the Statement of Income and Expenditure and are also shown separately in Note 24.

2 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for income and expenditure during the year. However the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements.

Depreciation and Residual Values

The Directors have reviewed the asset lives and associated residual values of all fixed asset classes, and have concluded that asset lives and residual values are appropriate.

Retirement Benefit Obligation

The assumptions underlying the actuarial valuations for which the amounts recognised in the financial statements are determined (including discount rates, rates of increase in future compensation levels, mortality rates and healthcare cost trend rates) are updated annually based on current economic conditions, and for any relevant changes to the terms and conditions of the pension and post-retirement plans.

The assumptions can be affected by:

- (i) the discount rate, changes in the rate of return on high-quality corporate bonds;
- (ii) future compensation levels, future labour market conditions; and
- (iii) health care cost trend rates, the rate of medical cost inflation in the relevant regions.

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHACH
NATIONAL COLLEGE OF ART AND DESIGN
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3 ACADEMIC FEES	WTE	2017 €000	WTE	2016 €000
Full-time Tuition Fees	906	4,615	1,229	5,884
Student Contribution	801	2,403	994	2,981
Part-time Tuition Fees	22	57	19	51
Continuing Education in Art & Design Fees	572	299	610	246
		7,374		9,162

Student numbers are stated as whole time equivalents based on enrolled credits.

4 STATE GRANTS	2017 Allocated for Recurrent Expenditure €000	2017 Allocated for Capital Expenditure €000	2017 Total €000	2016 Total €000
Higher Education Authority				
Recurrent Grants	6,015	304	6,319	6,203
Information Technology	40	-	40	40
Disability & Financial Assistance Grants	65	-	65	64
Skills Conversion	-	-	-	26
Improved Access and Progression	163	-	163	167
Irish Language	3	-	3	3
Other State Grants				
Arts Council	79	-	79	35
Digital Repository Ireland	(4)	-	(4)	-
Ubuntu	6	-	6	-
Student Assistance	38	-	38	40
Literacy and Numeracy	45	-	45	41
Educational Sustainable Development	66	-	66	-
Strategic Innovation	22	-	22	78
Other Grants	286	-	286	85
Total 2017	6,824	304	7,128	6,782
Total 2016	6,605	177	6,782	

In 2016 income for Digital Repository Ireland had been accrued (€4k). However, this programme ended in 2015 so the accrual has been released in 2017.

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHA
NATIONAL COLLEGE OF ART AND DESIGN
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5 RESEARCH GRANTS AND OTHER CONTRACTS	2017	2016
	€000	€000
Income		
State and semi-state	158	169
European Union	103	90
Industry	51	46
Other	33	-
Total income	345	305
Expenditure		
Staff Costs	98	169
Other Operating Costs	128	181
Total costs	226	350
Net Outcome	119	(45)
6 OTHER INCOME	2017	2016
	€000	€000
Continuing Professional Development	17	8
Sponsorship	-	9
Event Income	6	11
Student Charges	32	22
Photocopy Income	54	8
Staff secondment	-	17
Diageo Contribution to Capital Works	-	119
Miscellaneous Income	20	48
	129	242

7 STAFF COSTS

The average number of persons (including senior post-holders) employed by the College during the year, expressed in full-time equivalent is:

	2017	2016
	No. of	No. of
	employees	employees
Teaching	64.9	63.4
Research	1.6	1.0
Technical, Support and Central Administration	65.7	64.8
	132.2	129.2

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHACHA
NATIONAL COLLEGE OF ART AND DESIGN
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7 STAFF COSTS (continued)

	2017	2016
	€000	€000
Salaries and wages	9,081	9,161
Social welfare costs	976	985
Employer welfare costs	-	-
	10,057	10,146

Employee Short-Term Benefits Breakdown:

	2017	2016
	No. of staff	No. of staff
€60,001 to €70,000 p.a.	7	10
€70,001 to €80,000 p.a.	23	18
€80,001 to €90,000 p.a.	7	9
€90,001 to €100,000 p.a.	4	1
€100,001 to €110,000 p.a.	1	1
€110,001 to €120,000 p.a.	-	-
€120,001 to €130,000 p.a.	-	-
€130,001 to €140,000 p.a.	1	1
Over €140,000 p.a.	-	-
	43	40

Note: For the purposes of this disclosure, short-term employee benefits in relation to services rendered during the reporting period include salary, overtime allowances and other payments made on behalf of the employee, but exclude employer's PRSI.

Key management compensation

Key management personnel in the College consists of the Director, Registrar and Board members. The total remuneration of key management personnel is made up as follows:

	2017	2016
	€000	€000
Salaries and wages	238	227
Social welfare costs	20	24
	258	251

The above compensation includes amounts payable to the Director (who is the highest paid member) of:

	2017	2016
	€000	€000
Salaries and wages	140	135
Social welfare costs	14	15
	154	150

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHA
NATIONAL COLLEGE OF ART AND DESIGN
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8 OTHER OPERATING EXPENSES

Notes	2017	2016
	€000	€000
Books, Catalogues and Periodicals	135	83
Materials and consumables	165	185
Student services	172	193
Examination and Registration Fees	34	35
Examiner fees and expenses	13	18
Exhibitions, Seminars and Catering	25	29
Research costs	128	181
Gallery	10	7
Light, Heat and Power	268	295
Repairs and maintenance	89	373
Cleaning costs	284	315
Security	134	168
Rent and Rates	93	222
Telephone	75	62
Lease of equipment	46	51
Stationery Supplies and Printing	79	82
Photocopying Costs	22	4
Postage and Courier	12	22
IT Expenditure	279	304
Professional Fees	26	694
Memberships and Subscriptions	22	46
Staff development and training	22	24
Auditors' Remuneration	29	73
Travel and Subsistence	25	127
Advertising and PR	26	22
Insurance	110	109
Safety Costs	21	35
Entertainment Expenditure	27	4
Miscellaneous	55	29
Bad Debt write off	91	24
	3,260	3,686

2017
€000

2016
€000

Other operating expenses include:

Auditors remuneration

External audit - C&AG

Internal audit - RSM

41 36

16 15

Hire of assets under operating leases

46 51

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHÁ
NATIONAL COLLEGE OF ART AND DESIGN
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9 TAXATION

The National College of Art and Design is exempt from Corporation Tax under a charitable status order.

10 ANALYSIS OF EXPENDITURE

	Staff Costs 2017 €000	Other Operating Expenses 2017 €000	Total 2017 €000	Total 2016 €000
Academic Departments	7,204	363	7,567	7,572
Academic & Other Central Services	277	230	507	662
Premises	780	877	1,657	2,182
Central Administration	1,334	1,180	2,514	2,630
General Education Expenses	-	34	34	35
Student Facilities and Amenities	364	448	812	401
Research Expenditure	98	128	226	350
Total 2017	10,057	3,260	13,317	13,832
Total 2016	9,457	3,217		
Depreciation			529	402
Retirement benefit costs			3,787	3,814
			17,633	18,048

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHÁ
NATIONAL COLLEGE OF ART AND DESIGN
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11 PROPERTY, PLANT AND EQUIPMENT

	Land & Buildings €000	Guinness Fit Out €000	Plant & Equipment €000	Fixtures & Fittings €000	Computer Equipment €000	Total €000
Cost						
Balance at 1 October 2016	20,013	295	231	279	810	21,628
Additions	109	11	41	16	127	304
Disposals	-	-	-	-	-	-
Balance at 30 September 2017	20,122	306	272	295	937	21,932
Depreciation						
Balance at 1 October 2016	511	95	134	194	752	1,686
Charge for year	253	106	30	9	131	529
Disposals	-	-	-	-	-	-
Balance at 30 September 2017	764	201	164	203	883	2,215
Net Book Value 30th September 2017	19,358	105	108	92	54	19,717
Net Book Value 30th September 2016	19,502	200	97	85	58	19,942

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHA
NATIONAL COLLEGE OF ART AND DESIGN
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12 HERITAGE ASSETS

	Purchased €000	Donated €000	Total €000
1 October 2015 to 30 September 2016	9	-	9
1 October 2016 to 30 September 2017	-	-	-
	<u>9</u>	<u>-</u>	<u>9</u>

The National College of Art and Design holds a collection (known as the National Irish Visual Arts Library) of books, manuscripts, and art work that it has acquired mainly through donations and bequests. Items acquired pre 1 October 2015 have not been treated as fixed assets in the financial statements as 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.

Post 1 October 2015 heritage assets acquired are being capitalised in the financial statements. The College purchased a book entitled "Grace Gifford Plunkett (1888-1955) Familiar Faces" in the year which is held in the National Irish Visual Arts Library (NIVAL). The book was funded by bequests made to the College.

An exercise is planned for 2017/18 in which all heritage assets will be recorded in a heritage asset register and items with a cost or fair value greater than €5,000 will be capitalised in the financial statements of the College.

There were no disposals of heritage assets in the year.

All costs incurred in relation to preservation and conservation are expensed as incurred.

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHA
NATIONAL COLLEGE OF ART AND DESIGN
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13 RECEIVABLES	2017	2016
	€000	€000
Academic fees receivable	72	137
State grants receivable	601	480
Trade receivables	12	-
Research Grants and Other Contracts Accrued Income	112	100
Other Accrued Income	-	28
Prepayments	254	245
Diageo Contribution	-	150
Other receivables	72	13
	1,123	1,153

14 CURRENT LIABILITIES	2017	2016
	€000	€000
Trade payables	30	282
Research Grants and Other Contracts Deferred	-	189
Deferred Other Income	149	124
Academic fees received in advance	1,088	1,280
CEAD fees received in advance	157	27
State grant received in advance	568	386
Accruals	908	1,107
Other tax and social security	305	283
Other payables	108	172
	3,313	3,850

15 FINANCIAL INSTRUMENTS

The carrying values of the College's financial instruments at 30 September

	2017	2016
	€000	€000
Financial assets		
Debt instruments measured at amortised cost	869	908
Financial Liabilities		
Measured at amortised cost	1,046	1,561

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARHA
NATIONAL COLLEGE OF ART AND DESIGN
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16 RETIREMENT BENEFITS

A Staff Superannuation Scheme and a Spouses' and Children's Pension Scheme set up under Section 20 of the National College of Art and Design Act, 1971 were approved in January 1984 and September 1987 respectively. The College's pension schemes are unfunded schemes. Staff contribute at a rate of 5% to the Staff Superannuation Scheme and 1.5% to the Spouses' and Children's Pension Scheme. The scheme provides a pension (one eightieth per year of service), a lump sum (three eightieths per year of service) and spouses' and children's pensions. Normal retirement age is a members 65th birthday and pre-2004 members have an entitlement to retire without actuarial reduction from age 60. Pensions in payment (and deferment) normally increase in line with general public sector pay increases.

The Single Public Service Pension Scheme (Single Scheme) is the defined benefit pension scheme for pensionable public servants appointed on or after 1 January 2013 in accordance with the Public Service Pension (Single Scheme and Other Provisions) Act 2012. The scheme provides for a pension and retirement lump sum based on career average pensionable remuneration, and spouse's and children's pensions. The minimum pension age is 66 years (rising in line with State pension age changes). It includes an actuarially-reduced early retirement facility from age 55. Pensions in payment increase in line with the consumer price index.

	2017	2016
	€000	€000
(a) Analysis of Total Pension Costs Charged to Expenditure		
Current service cost	2,800	2,429
Interest on scheme liabilities	987	1,717
Employee pension contributions	(348)	(332)
	<u>3,439</u>	<u>3,814</u>
(b) Analysis of Movement in Scheme Liability during the Year		
	2017	2016
	€000	€000
Scheme Liability at Start of Year	87,362	72,757
Current Service Cost	2,800	2,429
Interest on Scheme Liabilities	987	1,717
Benefits Paid in the Year	(2,095)	(2,227)
Actuarial Loss / (Gain) recognised in the		
Statement of Total Recognised Gains and Losses	(2,788)	12,686
Scheme Liability at End of Year	<u>86,266</u>	<u>87,362</u>

(c) Deferred Funding for Pensions

The National College of Art and Design recognises these amounts as an asset corresponding to the unfunded deferred liability for pensions on the basis of a set of assumptions described in this note and a number of past events. These events include the statutory basis for the establishment of the pension scheme, and the policy and practice currently in place in relation to funding public service pensions, including contributions by employees and the annual estimates process. NCAD has no evidence that this funding policy will not continue to meet such sums in accordance with current practice.

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHÁ
NATIONAL COLLEGE OF ART AND DESIGN
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

The Net Deferred Funding for Pensions recognised in the Income and Expenditure Account was as follows:

	2017	2016
	€000	€000
Funding recoverable in respect of current year costs	3,787	4,153
Grants from tÚdarás um Ard-Oideachas applied to pay pension benefits	(2,095)	(2,227)
Net Deferred Funding for Pensions in year	<u>1,692</u>	<u>1,926</u>

The deferred funding asset for pensions as at 30th September 2017 amounted to €86,266,000 (2016: €87,362,000)

(d) History of Deferred Benefit Obligations

	2017	2016	2015	2014	2013
	€000	€000	€000	€000	€000
Deferred Benefit Obligations	86,266	87,362	72,757	74,902	65,689
Experience gains/(losses) on Scheme Liabilities Amount	2,788	(12,686)	(4,226)	6,603	(6,451)
Percentage of Scheme Liabilities	-3.2%	14.5%	-5.8%	-8.8%	9.8%

The valuation used for FRS102 disclosures has been based on an actuarial valuation at 30 September 2017 by a qualified actuary taking account of the requirements of FRS102 in order to assess the scheme liabilities at 30 September 2017.

Single scheme members are included in the pension liability at 30 September 2017, the actuarial calculations took into account the differing entitlements that apply to that scheme.

The principal actuarial assumptions were as follows:

Assumption	2017	2016
Discount rate	1.10%	1.13%
Salary increase assumption	2.30%	2.30%
Pension increase assumption	2.30%	2.30%
Price inflation	1.30%	1.30%

Average future life expectancy according to the mortality tables used to determine the pension liabilities:

	2017	2016
Male aged 65	21.2	21.2
Female aged 65	23.6	22.6

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHACHA
NATIONAL COLLEGE OF ART AND DESIGN
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

17 ANALYSIS OF CASH AND CASH EQUIVALENTS

	At 01/10/2016 €000	Cashflows €000	At 30/09/2017 €000
Cash at Bank and on Hand	2,196	(899)	1,297
	<u>2,196</u>	<u>(899)</u>	<u>1,297</u>

18 CAPITAL COMMITMENTS

Capital commitments at 30 September 2017 amounted to €Nil (2016: €Nil).

19 LEASE COMMITMENTS

At 30 September the College had minimum lease payments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2017 €000	2016 €000	2017 €000	2016 €000
Future minimum lease payments due:				
Not later than one year	31	65	77	84
Later than one year and not later than five years	23	54	102	165
Later than five years	-	-	-	-
	<u>54</u>	<u>119</u>	<u>179</u>	<u>249</u>

The College lease premises at James Street, Dublin 8. It is a four year lease which is due to expire in June 2019. A rent free period was awarded for year one with the first rent payment being due in year two. The total lease commitment has been recognised over the four year period.

The College also lease photocopiers and computers. Each lease has a three year period which is renewed on expiry.

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHACH
NATIONAL COLLEGE OF ART AND DESIGN
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

20 RELATED PARTY DISCLOSURES

The National College of Art and Design adopts procedures in accordance with the guidelines issued by the Department of Public Expenditure and Reform covering the personal interests of Board members. In the normal course of business the College may approve Grants or enter into other contractual arrangements with entities in which the College Board members are employed or are otherwise interested. In cases of potential conflict of interest, Board members do not receive Board documentation or otherwise participate in or attend discussions regarding these transactions. A register is maintained and available on request of all such instances.

21 CONTINGENT LIABILITIES

There were no contingent liabilities existing at 30 September 2017.

22 POST BALANCE SHEET EVENTS

There were no significant events since the year end which could have implications for these financial statements.

23 AMOUNTS DISBURSED AS AGENT

	2017	2016
	€000	€000
HEA Grants received	75	91
Less: Administration income	(17)	(12)
	<hr/> 58	<hr/> 79
Disbursed to students	(50)	(48)
	<hr/> 8	<hr/> 31
Balance unspent at 30 September		

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTH
 NATIONAL COLLEGE OF ART AND DESIGN
 FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

24 Circular 13/2014 – Management of and Accountability for Grants from Exchequer Funds

Grantor	Government Funding Department/Office	Notes	Grant Deferred/(Due) 01/10/2016 €000	Cash Received 2016/17 €000	Taken to Income 2016/17 €000	Grant Deferred/(Due) 30/09/2017 €000
Recurrent Grants						
HEA (Recurrent)	Dept. of Education & Skills		(191)	6,638	(6,848)	(401)
HEA (ESF Disability/Assist)	Dept. of Education & Skills		25	115	(103)	37
HEA (Strategic Innovation)	Dept. of Education & Skills		22	-	(22)	-
HEA (Cluster Development)	Dept. of Education & Skills		50	-	-	50
HEA (Erasmus)	Dept. of Education & Skills		70	116	(75)	111
		4	(24)	6,869	(7,048)	(203)
Academic Fees						
HEA	Dept. of Education & Skills		-	3,726	(3,726)	-
Student Universal Support Ireland	Dept. of Education & Skills		-	1,145	(1,145)	-
		3	-	4,871	(4,871)	-
Research and Other						
Arts Council	Dept. of Arts, Heritage, Regional, Rural and Gaeltacht Affairs		11	68	(79)	-

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHA
NATIONAL COLLEGE OF ART AND DESIGN
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

24 Circular 13/2014 – Management of and Accountability for Grants from Exchequer Funds (Cont.)

Grantor	Government Funding Department/Office	Notes	Grant Deferred/(Due) 01/10/2016 €000	Cash Received 2016/17 €000	Taken to Income 2016/17 €000	Grant Deferred/(Due) 30/09/2017 €000
Digital Repository Ireland	Dept. of Education & Skills		(4)	-	4	-
Heritage Council	Dept. of Arts, Heritage, Regional, Rural and Gaeltacht Affairs		2	2	(4)	-
Ubuntu	Dept. of Foreign Affairs & Trade		-	6	(6)	-
TFE	European Commission		96	-	-	96
TFE – Pelars	European Commission		54	-	(78)	(24)
In Public In Particular	European Commission		(10)	17	(10)	(3)
UCD Seed Funding	Dept. of Education & Skills		3	-	-	3
Future Creators	Digital Hub Development Agency		(39)	39	(27)	(27)
Enterprise Ireland	Department of Business, Enterprise and Innovation		(14)	129	(143)	(28)
Erasmus + Digital Pathways	Dept. of Education & Skills		(15)	-	(11)	(26)
Irish Research Council – Making Memory	Dept. of Education & Skills		7	1	(8)	-

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTH
NATIONAL COLLEGE OF ART AND DESIGN
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

24 Circular 13/2014 – Management of and Accountability for Grants from Exchequer Funds (Cont.)

Grantor	Government Funding Department/Office	Notes	Grant Deferred/(Due) 01/10/2016 €000	Cash Received 2016/17 €000	Taken to Income 2016/17 €000	Grant Deferred/(Due) 30/09/2017 €000
Irish Research Council - PhD Support	Dept. of Education & Skills		-	1	(1)	-
Total Exchequer Research & Other Grants		4&5	91	263	(363)	(9)
Total Exchequer Grants			67	12,003	(12,282)	(212)

25 Breakdown of Travel and Subsistence	Notes	2017 €000	2016 €000
National Travel		33	32
International Travel		17	(1)
Student Assistance & Disbursement of travel bursary		28	47
Erasmus Student payments within Travel Expenses		49	46
Total	8	127	124

26 Breakdown of External Consultancy and Adviser Fees	Notes	2017 €000	2016 €000
Legal		27	28
Tax and Financial Advisory		38	134
Public Relations / Marketing		76	52
Pension and Human Resources		231	83
Student Access, Counselling & Medical Services		163	126
Other		181	160
Total	8	716	583

27 Hospitality Expenditure	Notes	2017 €000	2016 €000
Staff hospitality		2	2
Client hospitality		2	8
Total	8	4	10

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHA
NATIONAL COLLEGE OF ART AND DESIGN
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

28 APPROVAL OF FINANCIAL STATEMENTS

The financial statements for the year ended 30th September 2017 were approved by the Board at its meeting on 14th December 2018.