

**University College Cork
National University of Ireland, Cork**

Annual Report and Consolidated and University Financial Statements Year

Ended 30 September 2024

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GROUP FINANCIAL & OPERATIONS REPORT

Format of Accounts - Explanatory Note

I am pleased to present the Consolidated Financial Statements of University College Cork (UCC), as approved by the Governing Authority on the 11th of March 2025. The Consolidated Financial Statements of UCC are prepared in accordance with the Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice (“SORP”) – Accounting for Further and Higher Education (2019), as issued by the Further Education and Higher Education (FE/HE) SORP Board in the UK, which has been voluntarily adopted by the Irish University sector. In this context, the University has reviewed its accounting policies and made judgements and estimates that are reasonable and prudent to ensure a true and fair view of the University’s finances as at 30 September 2024. The Consolidated Financial Statements include the activities of the University, and all its subsidiary undertakings as outlined in Note 17 to the financial statements.

Review of the Financial Year

- 2024 was a challenging but successful year financially for UCC. The UCC group recorded a surplus of €6.8m in the year ended 30 September 2024.
- The University implemented a comprehensive deficit reduction plan, Project Alpha, to address the deficit that arose in 2023. The objective of the response plan was to return a surplus position for the financial year to 30 September 2024, and position UCC to be financially sustainable on an underlying basis thereafter. There were 4 pillars to the response plan, these being a programme to reduce non-payroll discretionary operating costs, manage the growth in payroll related costs, grow academic fee income and other operating income, and increase the contribution from its subsidiaries to the overall group results. Throughout the period of the deficit reduction plan, the University prioritised maintaining the quality of the student experience, and teaching and learning.
- Project Alpha, together with other financial benefits, has led to the surplus. Total income of €531.9m constituted a €52.3m (11%) increase on prior year. Total expenditure grew by €39.3m (8%), and so the income growth offset the growth in costs.
- The main reasons for the Group surplus were the impacts of;
 - Strong State Grants income growth of €12.3m (14%) driven by support for Government Pay Awards,
 - Strong Academic Fee income growth of €8m (5%) driven by student volume and mix,
 - Strong Other Operating Income growth of €10.2m (20%) driven by Project Alpha,
 - Strong Interest income growth of €1.6m (287%) driven by Project Alpha focus on optimising treasury yield,
 - Other Operating Expenses reduction of €2.2m (2%) driven by Project Alpha, and
 - The University’s Trust fund returned an investment gain of €1.9m.
- Whilst an overall group surplus of €6.8m was recorded, the University parent entity financial statements recorded a small surplus of €0.7m in 2024. This small surplus at the parent entity reflects the ongoing systemic funding challenges across the HEI (Higher Education Institution) sector.
- The lingering impact of inflation continues to be felt by the University across its operations, in particular, operating costs, however the University was able to deliver a net operating cost reduction of €2.2m (2%) through Project Alpha savings initiatives, more than offsetting the impact of inflation.
- The University Trust Fund returned an investment gain of €1.9m in 2024 (2023: investment loss of €0.6m). These investment gains/losses can vary each year and are reflective of the external global economic environment.
- UCC increased its combined EU and Non-EU student base by 3.5% to 25,254 (2023: 24,386).
- The University received additional income from the HEA towards funding the restoration of public sector wages in line with the Building Momentum pay agreement.
- Research continued to perform well in year-end 2024. There was a €1.8m (2%) increase in research income from 2023 bringing total research income to €120.9m in 2024. The increase in research income over the last number of years is testament to Research and Innovation being Goal One of UCC’s Strategic Plan 2023-2028.
- UCC was placed fourth in the UI Green Metric World University rankings, announced at a ceremony on 12 December 2024 in Sao Paulo, Brazil. The ranking makes it the eighth consecutive year in which the University has finished in the top 10 of the rankings. UCC has also achieved a 32% reduction in carbon emissions. In 2024 a 2-year deep retrofit of the University’s Enterprise Centre was completed. The project resulted in an 80% reduction in energy emissions from the building.

GROUP FINANCIAL & OPERATIONS REPORT - continued

Review of the Financial Year - continued

- UCC reported that it generates €3.2m every day for the Irish economy, according to an independently verified report, Economic and Societal Impact of UCC. According to this report the University supports almost 1 in every 13 jobs in Cork city and county and provides a return of €6 for every €1 of state investment.
- In October 2024 UCC launched a new business engagement portal to act as a single point of contact for SME's and multinationals looking to engage with UCC.
- In June 2024, UCC placed 67th of 1,963 universities in the Time Higher Education (THE) Impact Rankings, placing it in the top four percent of all institutions globally. UCC scored within the top 30 in five of the 17 Sustainable Development Goals considered by the ranking.
- In June 2024, UCC placed 273 of the 5,663 evaluated institutions in the 21st Edition of the QS World University Rankings. This was an improvement of 19 places on the previous year and is the highest ranking since 2015.
- In April 2024, UCC became the first higher education institute in the world to secure a fifth Green Flag. Universities across the world are assessed under eight criteria including environmental management and commitment to biodiversity, under the programme led by the Foundation for Environmental Education.
- The summary results for 2023/2024 are set out in Table 1 below, which also shows a comparison to prior year. The University reported a surplus of €6.8m in 2023/24, which compares to a deficit of €8.6m in 2022/23 and a surplus of €0.7m in 2021/22. Earnings before interest, tax, depreciation and amortisation (EBITDA) amounted to €25m in 2023/24, 2022/23 EBITDA was €9.1m.

Statement of Comprehensive Income-Consolidated view

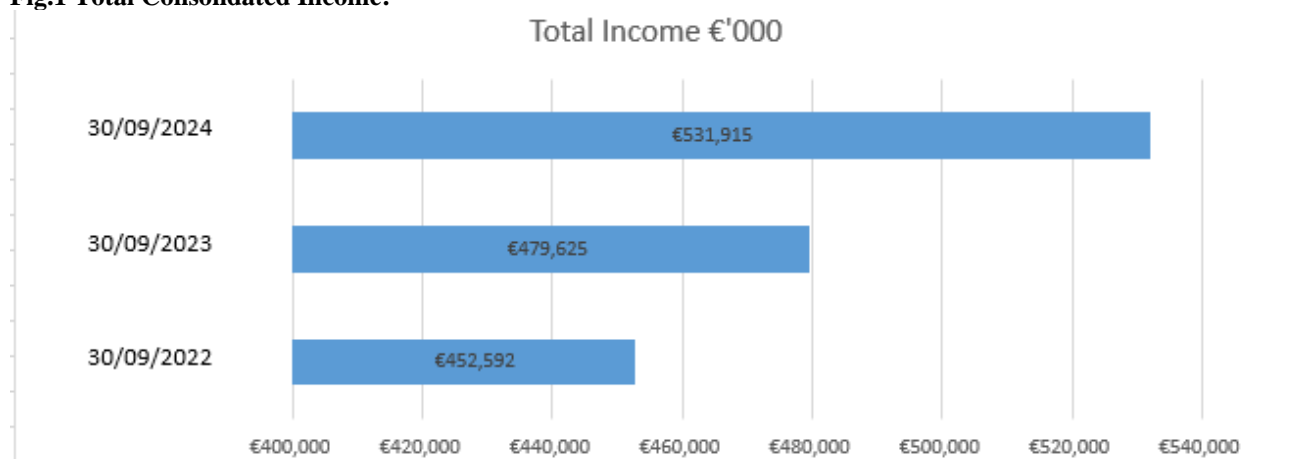
	30/09/2024	30/09/2023
	€'000	€'000
State grants	101,265	89,013
Academic fees	170,393	162,413
Research grants and contracts	120,946	119,112
Amortisation of state capital grants	11,564	9,461
Other operating income	61,517	51,313
Interest income	2,169	560
Investment income	35	535
Deferred funding for pensions	58,316	43,023
Donations and endowments	5,710	4,195
Total income	531,915	479,625
Staff and pension service costs	321,729	289,377
Other operating expenses	113,013	115,206
Pension and other interest expense	67,330	60,857
Depreciation & Amortisation	25,026	22,388
Total expenditure	527,098	487,828
Surplus/(deficit) before other gains/losses	4,817	(8,203)
Profit on disposal of fixed assets	23	-
Profit on disposal of investments	-	250
Gain/(loss) on investments	1,938	(618)
Surplus/(deficit) before taxation	6,778	(8,571)

Total consolidated income for the year grew by €52.3m to €532m. **Fig 1.**

Exchequer revenue streams improved as a proportion of overall income, with State grants showing an increase of 13.8% year on year reflecting increased student numbers, increased grant receipts and pay award funding.

GROUP FINANCIAL & OPERATIONS REPORT - continued

Fig.1 Total Consolidated Income:



Academic fee income of €170.4m in 2023/24 represented an increase of €8m reflecting a 4.9% rise and growth in student numbers from 24,386 in 22/23 to 25,254 in 23/24 with non-EU students comprising 13.3% of the total student base. Revenue from international students at €47.8m represents an increase of €5m this year, highlighting the continuing recovery in the international student market. The University continues to focus on increasing international student numbers to ensure it achieves its overall internationalisation strategic ambition and in doing so generate sufficient resources to support long-term financial sustainability.

Student Mix and Student Number

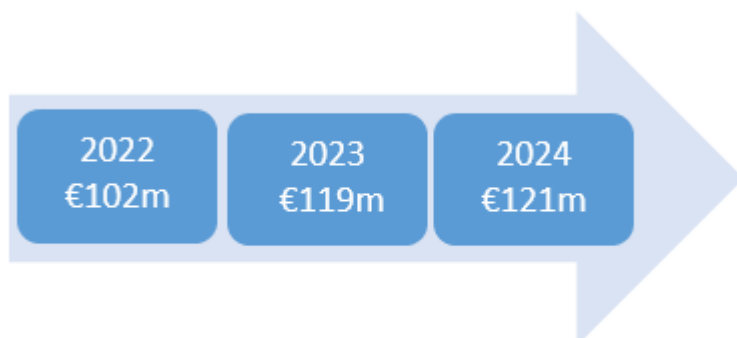
	EU	Non-EU	Total
2023/2024	86.70%	13.30%	25,254
2022/2023	88.30%	11.70%	24,386
2021/2022	86.28%	13.72%	24,248

Of the €170.4m of academic fee income received, a total of €54.4m was paid by the Higher Education Authority (HEA) on behalf of EU Undergraduate students, an increase of 5.4% on the previous year. The remaining self-generated fees of €116m reflects the diverse recruitment of students across the University.

Other operating income for 2024 of €61.5m reflected an increase of €10.2m compared to 2023 and was driven by the focus on other income generation both at the university and at its subsidiary companies.

Research activity delivered €120.9m of income in the year, an increase €1.8m, up 1.5% from 2022/23.

Fig.2 Research Income.

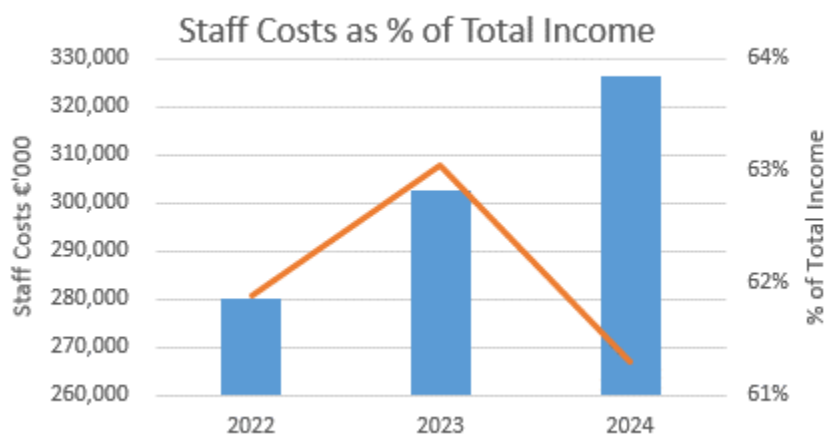


Expenditure

Consolidated expenditure for the year amounted to €527.1m (2022/23: €487.8m), an increase of €39.3m in the year. Staff and pension service costs across the UCC group of companies increased by €32.3m from 2023 levels to €321.7m, reflecting the impact of national pay awards and recruitment activity. Recruitment activity during the year was limited by the effects of Project Alpha, however the University prioritised the student experience, teaching, learning and research. As can be seen in Fig. 3 below, Staff costs as a % of total income declined from 63% to 61%.

GROUP FINANCIAL & OPERATIONS REPORT - continued

Fig.3 Staff cost as a percentage of Total Income.



Other operating expenses at €113m were €2.2m (2%) lower than the previous year. This reduction in costs contrasts with the increase in revenue and reflects the activities of Project Alpha. This performance was strong, particularly as the impact of inflation continued to be felt across all expenditure headings during 2024. See note 10 and 11 of the Consolidated Financial Statements for a further breakdown of Staff Costs and Other Operating Expenses.

Fixed assets

The consolidated fixed assets additions in 2024 were €13.9m and the depreciation charge for the year was €24m. There is a corresponding reduction in assets in the course of construction due to the completion of the Crows Nest Student accommodation project in 2023.

Investments

The investments relate to the investments held by the University College Cork Trust Fund as at 30 September 2024. The fund generates income to fund prizes and scholarships across a wide range of programmes. The fund has increased in value over the past 5 years by €5.25m, representing an annualised growth of 5.3 % (2023: 4.1%). The increase in the annualised growth in 2024 relates to the widespread and generalised post pandemic recovery in economic activity, in the context of a global economy that has been remarkably resilient, inflation has been steadily receding toward central bank targets and bonds have performed strongly in 2024 in response to the interest rate reductions.

Receivables

Year on year debtors has increased by €16.4m, 30% higher than the previous year. This increase is primarily due to the growth in Research Grant receivables.

Current asset investments & Cash at bank

The University continues to maintain strong liquidity. Cash balances of €122.6m represent a reduction of €12.1m (9.0%), while short-term deposits at €50.7m represent an increase of €35m, as at the 30 September 2024. The University has a comprehensive Treasury Policy in place to ensure Treasury risks are minimised, while returns are optimised.

Payables Amounts falling due within one year

Payables falling due within one year have decreased from €343.4m to €329.1m, a decrease of 4.2%. The main reason for the decrease is the reduction in short term bank borrowings in 2024. In 2023 short term bank borrowings were higher than normal due to the accounting presentation of certain University loans in 2023. As disclosed in note 24, at the statement of financial position date in 2023, the University was in breach of a bank covenant attached to its loans, resulting in certain elements of the group's loan portfolio being presented as current liabilities in 'Payables - Amounts falling due within one year'. However, after the 2023 statement of financial position date, the University received a waiver for this covenant on the 4th of March 2024 and at year end 2024 the University is no longer in breach of this covenant as at the date of approval of these financial statements. Consequently, these borrowings have to be reclassified as amounts falling due after more than one year in the Statement of Financial Position at 30 September 2024. Research grants and contracts in advance have increased due the timing of payments arising from certain Research activities. Trade creditors have increased to €7.1m, from €4.7m in 2023. This increase is due to the timing of trade creditor payments near year-end.

GROUP FINANCIAL & OPERATIONS REPORT - continued

Payables Amounts falling due after more than one year

This balance has increased from €347.4m to €382.9m, mainly due to the presentation of certain University borrowings as being payable after more than one year at 2024, these were payable within one year at 2023. Full details of all bank loans and balances at 30 September 2024 are set out in note 24.

Restricted and unrestricted reserves

The restricted and unrestricted reserves at 30 September 2024 of €241.9m are €6.8m higher than 2023.

Summary and outlook

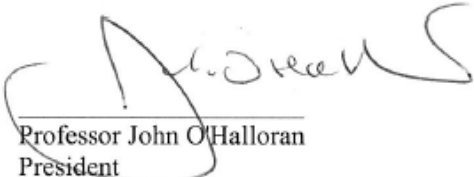
The financial year 2023/24, saw the execution of a robust deficit recovery plan, named Project Alpha, which has returned the University to a surplus position. Strong income growth offset the cost growth, delivering a strong result. Project Alpha has embedded strong policy responses and controls to ensure it returns to a sustainable surplus position over the long term. The University continues to prioritise research as evidenced by continued strong research output during the reporting period.

Undergraduate and Postgraduate student numbers improved year on year to 25,254. Commercial revenues from ancillary operations continued their recovery in 2024.

The University anticipates that the lingering cost of living crisis and related inflationary challenges will continue to impact in some areas, however to a lesser extent to previous years. Following a successful deficit reduction plan, the University is confident of its ability to deliver strong financial results, strengthen our infrastructure and resource base, and ultimately deliver on our strategic plan.

The investment in higher education and research announced in recent years by the Government was a recognition by Government that UCC and other Irish Universities have become dependent on non-state income to subsidise and deliver teaching for Irish students. UCC welcomed the package of funding measures for higher education announced in the 2025 Budget. The provision of additional core funding under the Funding the Future process will enable UCC to invest in the necessary staff and supports to underpin the continued delivery of high-quality graduates for the workforce, however UCC notes that the full €307m funding gap identified by the government in 2022 has yet to be fully closed. The provision of additional funding from the National Training Fund will also enable necessary capital investment and in research infrastructure. In addition, the allocation to cover government agreed national pay awards was very welcome, however UCC believes it is critical that national pay agreements are fully funded by governments in the future.

Irish Higher Education continues to show resilience in the face of many challenges; demand remains high, with student participation at record levels. The University looks forward to collaborating further with the Department and the Higher Education Authority through the Irish Universities Association (IUA) to ensure that UCC can deliver on its strategy and play a critical role in Higher Education in Ireland.



Professor John O'Halloran
President

Date: 11th March 2025

STATEMENT OF GOVERNING AUTHORITY'S RESPONSIBILITIES

The Governing Authority is required to comply with the Universities Act, 1997, as amended by the HEA Act 2022, and to keep in such form as may be approved of by An t-Údarás um Ard-Oideachas all proper and usual accounts of money received and expended by it.

The Governing Authority is responsible for ensuring the financial statements for each financial year give a true and fair view of the state of the affairs of the University and the University group and the surplus or deficit of the University group for the period.

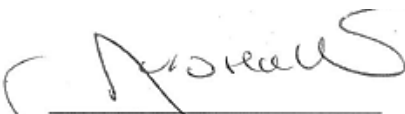
In respect of the preparation of these financial statements, the Governing Authority is required to:

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

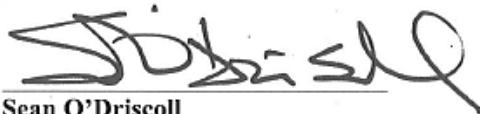
The Governing Authority is responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the University and which enable it to ensure that its financial statements comply with the Universities Act 1997, as amended by the HEA Act 2022, the Statement of Recommended Practice on Accounting for Further and Higher Education Institutions and are prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by The Financial Reporting Council.

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

Signed on behalf of the Governing Authority



Professor John O'Halloran
President



Sean O'Driscoll
Chair of Governing Authority

Date: 11th March 2025



Independent auditors' report to the Governing Authority of University College Cork

Report on the audit of the financial statements

Opinion

In our opinion, University College Cork's consolidated financial statements and University financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and the University's affairs as at 30 September 2024 and of the group's surplus and the University's surplus and the group's cash flows for the year then ended; and
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland").

We have audited the financial statements, included within the Annual Report and Consolidated and University Financial Statements, which comprise:

- the Consolidated and University statement of financial position as at 30 September 2024;
- the Consolidated and University statement of comprehensive income for the year then ended;
- the Consolidated statement of cash flows for the year then ended;
- the Consolidated and University statement of changes in reserves for the year then ended; and
- the notes to the financial statements, which include a description of the accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)"). Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the University's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Governing Authority's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's or the University's ability to continue as a going concern. Our responsibilities and the responsibilities of the Governing Authority with respect to going concern are described in the relevant sections of this report.



Reporting on other information

The other information comprises all of the information in the Annual Report and Consolidated and University financial statements other than the financial statements and our auditors' report thereon. The Governing Authority are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

2016 Code of Practice for the Governance of State Bodies (“the code”)

Under the 2016 Code of Practice for the Governance of State Bodies we are required to report to you if the statement regarding the system of internal control, as included in the statement of governance and internal control on pages 11 to 21, is not consistent with the information of which we are aware from our audit work on the financial statements. We have nothing to report in respect of this responsibility.

Responsibilities for the financial statements and the audit

Responsibilities of the Governing Authority for the financial statements

As explained more fully in the statement of governing authority's responsibilities set out on page 7, the Governing Authority are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The Governing Authority are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governing Authority are responsible for assessing the group's and the University's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Governing Authority either intend to liquidate the group or the University or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at: https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf

This description forms part of our auditors' report.



Use of this report

This report, including the opinion, has been prepared for and only for the Governing Authority and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, including without limitation under any contractual obligations of the University, save where expressly agreed by our prior consent in writing.

Shane O'Regan

PricewaterhouseCoopers,
Chartered Accountants
Cork
13 March 2025

STATEMENT ON GOVERNANCE AND INTERNAL CONTROL

1. Statement from Governing Authority in relation to Responsibility and Compliance

The Governing Authority of University College Cork (UCC) confirms its responsibility for and satisfaction that the University has, for the financial year ended 30 September 2024, substantially complied with statutory obligations applicable to the University as set out in legislation governing the establishment of the University and to the best of its knowledge and belief with those obligations set out in other relevant legislation and codes.

2. General Governance and Accountability Issues

The University operates within a comprehensive legislative and statutory framework, which includes the Universities Act 1997, as amended by the HEA Act 2022, the Principal Statute of the University, a set of Governing Authority Regulations, which specifically govern the conduct of Governing Authority business, appointment, selection and recruitment to the Governing Authority and all recruitment procedures of the University. From 30 April 2024, following a direction from the HEA, the University's governance practices have been aligned with the *Code of Practice for the Governance of State Bodies*, subject to the schedule of deviations that have been agreed between the Irish Universities Association (IUA) and the HEA. Prior to this date, the institution was operating under the *Code of Governance for Irish Universities*, 2019, which was based on the principles in the *Code of Practice for the Governance of State Bodies*. Academically, the University is managed through four Colleges, each of which has a specific set of College Rules, which are enacted in compliance with the University's Principal Statute. The *Signing Authority and Approval Policy* directs the University's staff and officers in relation to the appropriate sources of approval and ability to bind the University in contracts. A revised policy will be presented for approval by Governing Authority in 2025.

3. Code of Conduct for Members

A Code of Conduct for Governing Authority Members is in place which includes Governing Authority Committees and is incorporated into the Regulation for the Conduct of Governing Authority Business. This regulation addresses conflicts of interest and obligations under the Ethics in Public Office legislation. The Code of Conduct for Governing Authority Members was revised in October 2022 and will be reviewed every three years going forward. During the year in review, the institution had in place processes to provide reasonable assurance that this code was being complied with.

4. Code of Conduct for Employees

A Code of Conduct for Employees incorporating conflict of interest and ethics in public office policies was in place during the year in review. The conduct of staff is primarily governed by the contract of employment. Employees are required to comply with a range of policies which are communicated as part of an orientation for new staff. UCC HR policies are available on the UCC website and a web-link to these policies is included in the contract of employment. A review of the Code of Conduct for Employees has commenced and will be completed in 2025. During the year in review, the Institution had in place processes to provide reasonable assurance that the Code of Conduct for Employees was being complied with. Guidance on ensuring that external work undertaken by employees does not impact the performance of core contracted duties is set out in the UCC Consultancy Policy.

5. Financially Significant Developments

UCC consolidated financial statements recorded a surplus of €6.8m for the year ended 30 September 2024. The University entity financial statements recorded a surplus of €0.7m in the year. The University implemented a comprehensive deficit reduction plan, Project Alpha, to address the deficit that arose during the financial year ended 30 September 2023. The objective of the response plan was to return a surplus position for the financial year to 30 September 2024, and position UCC to be financially sustainable on an underlying basis thereafter. There were 4 pillars to the response plan, these being a programme to reduce non-payroll discretionary operating costs, manage the growth in payroll related costs, grow academic fee income and other operating income, and increase the contribution from its subsidiaries to the overall group results. Throughout the period of the deficit reduction plan, the University prioritised maintaining the quality of the student experience, and teaching and learning. The University Trust Fund returned an investment gain of €1.9m in the year ended 30 September 2024 (2023: €0.6m loss). The movement in the valuation of investment assets is reflective of global economic conditions. In 2024 interest income increased to €2.2m from €0.6m in 2023 reflecting the rising interest rate environment in 2024. In 2020, the University sold its share in spin out company, PrecisionBiotics Group Limited (previously Alimentary Health Ltd), to Novozymes, a Danish pharmaceutical company. Based on UCC's level of equity at the date of sale, the value of the University's immediate share of the initial consideration was €4.2m with further proceeds possible through an earn-out clause, pending satisfactory performance of the company in meeting certain post-acquisition targets up to December 31, 2023. In April 2024, UCC received €0.5m as the final Earn-out Payment for the sale in 2020 of PrecisionBiotics Group Ltd to Novozymes.

STATEMENT ON GOVERNANCE AND INTERNAL CONTROL - continued

5. Financially Significant Developments – continued

The total amount spent on external consultancy/adviser fees during the year ended 30 September 2024 is €5.9m (2023: €5.9m) being 1.11% of total income. During the reporting period, the University incurred costs of €19.6k on external consultancy firms and investigators contracted to carry out investigations and enquiries on internal matters. The University incurred external legal costs of €1.1m in 2024. In 2018, UCC and Munster Technological University (MTU) jointly leased premises at Nano Nagle Place in Cork City Centre on the grounds of the site of the South Presentation Convent. This site, known as the Western Apex Building, was developed by UCC and MTU to house a number of joint architecture programmes. The lease is for a duration of ten years following which UCC has an option to purchase the premises outright in its sole ownership. The lease costs are financed primarily from fee income related to the academic programmes delivered at the Western Apex Building. The operating costs for the building during the term of the lease are shared equally between UCC and MTU.

6. Commercially Significant Developments

The University confirms there were no events of commercial significance or sensitivity to report.

7. Pay & Pensions

UCC confirms that government policy on pay was complied with during the year in review. UCC confirms that government policy on pensions was also complied with including any pension agreements with the HEA, Department of Education, Department of Further and Higher Education, Research, Innovation and Science or any other government department were complied with. Discussions are ongoing with the Department of Education in respect of communication of a 2012 circular for academic consultants.

Details of all redundancy payments are returned to the Central Statistics Office on a quarterly basis. Where a redundancy situation arises, before an ex-gratia payment is processed, approval is received from the Department of Further and Higher Education, Research, Innovation & Science and the Department of Public Expenditure, NDP Delivery and Reform. Any severance payments made during the year in review were made with the consent of the Department of Further and Higher Education, Research, Innovation and Science and were in compliance with the requirements of Circular 09/2018: Consolidation of arrangements for the offer of severance terms in the civil and public service. UCC has in place a policy on University Consultancy, Directorships and Other Remunerated Academic Activity External to UCC.

Codification of the University's pension arrangements for the 'Model Scheme' into a statutory instrument is ongoing. Following legal advice, a decision was taken to cease to apply the "UCC cap" to part-time service (and align to the approach to capping part-time service adopted by other third level institutions) and this is being worked through with the Department of Education.

8. Termination/severance

The total amount of termination/severance payments made by the University in the reporting period, with an aggregate value in excess of €10,000 to anyone individual in the reporting period was €163,000.

9. Financial Reporting

The University affirms that all appropriate procedures for the annual financial reporting are in place and were carried out in line with the applicable requirements of the Codes of Governance. The University confirms that an annual report, including audited financial statements is published in respect of the UCC's consolidated activities.

10. Off Balance Sheet Transactions

There were no off-balance sheet financial transactions during financial year ended 30 September 2024.

11. Trusts and Foundations

There is one legally constituted foundation - Cork University Foundation and this has been consolidated in the group financial statements since 2020. Other Scholarships and bequests to the University are grouped together for investment purposes and collectively are known as the UCC Trust Fund, though this is not a separate legal entity. The UCC Trust Fund has been consolidated in the group financial statements since 2016 and presented in the UCC entity financial statements since 2021.

STATEMENT ON GOVERNANCE AND INTERNAL CONTROL - continued

12. Internal Audit

The University operates an Independent Internal Audit function reporting to the Audit & Risk Committee (a UCC Governing Authority sub-committee). An Internal Audit Charter is in place, which defines Internal Audit's purpose, authority, responsibility and position within the University. The Internal Audit Charter was most recently approved by the Audit & Risk Committee on the 26 September 2023. The Internal Audit function carries out a programme of risk-based audits based on an Annual Audit Plan. This annual plan is approved each year by the University's Audit & Risk Committee. The plan relevant to the 2023/24 financial year was approved by the Audit & Risk Committee on the 11 December 2023. The conduct of projects included in the Annual Audit Plan aligns to the standards for the Professional Practice of Internal Auditing published by the Institute of Internal Auditors. The Internal Audit function and its activity are commensurate with the size, risks and activities of the Institution. Twenty-six individual reports were presented by the Internal Audit Office to the Audit & Risk Committee during the year under review. The UCC Audit & Risk Committee considers that the scope of work completed was appropriate as part of oversight and monitoring of internal controls and the control environment.

13. Procurement

a) Procurement Procedures

The University confirms that procurement procedures were in place to ensure compliance with current procurement rules and guidelines as set out by the Office of Government Procurement. These procedures had been published to all relevant staff and were substantially adhered to. The level of non-compliant expenditure (principally due to the timing of contract agreement) is outlined in section 13 (f), below.

b) Office of Government Procurement (OGP)

The University confirms that the services and frameworks of the Office of Government Procurement (OGP) and Education Procurement Service (EPS) were used whenever applicable and available. The University maintains a database/system for all contracts/payments in excess of €50,000, with monitoring systems in place to flag non-compliant and non-competitive procurement.

c) Corporate Procurement Plan

UCC confirms it has all relevant procurement policies and procedures in place as well as a Procurement Strategy (Corporate Procurement Plan), all of which are available on UCC's website. The UCC Corporate Procurement Plan continued to be developed and was adhered to in the period under review.

d) Educational Procurement Services

The University is engaging with the EPS in respect of corporate procurement planning. UCC complies with use of EPS services wherever applicable and has adopted the use of all EPS frameworks when needed and where they appropriately meet UCC's requirements.

e) Details of Non-Compliant Procurement

The University makes every effort to comply fully with national procurement guidelines through devolved authority and reporting structures. Total self-declared, non-compliant procurement for 2023/24 is €1.55m. This is a decrease from the 2022/2023 figure of €1.57m and will be subject to further review by the Office of the Comptroller & Auditor General as part of its annual audit.

f) Details of Non-Competitive Procurement:

Total (pre-C&AG audit) self-declared non-competitive procurement for 2023/24 is €8.4m. The reasons for this non-competitive procurement in 2024 were urgent and specific sole supplier environments. Total spend across UCC above €50,000 threshold in 2024 was €87.8m including the stated non-competitive amount.

14. Asset Disposals

The disposal of University assets to third parties and employees is governed by University procedures communicated to all staff. There have been no disposals of University assets to third parties or grants of access to property or infrastructure for commercial arrangements with third parties above the threshold of €150,000.

15. Guidelines for the Appraisal and Management of Capital Projects

The University confirms that policies and procedures for the management of capital projects and property transactions are reviewed every 3 years and as required are updated where appropriate. All capital projects and property transactions are managed and delivered in compliance with the University's approved policies and procedures as well as relevant principles, requirements and guidelines of the current Public Spending Code and the Capital Works Management Framework, relevant Circulars and Code of Governance of Irish Universities. Policies and procedures are subject to external review with remediation identified in respect of any deficiencies. The Governing Authority approved all expenditure in excess of €2m on capital and property transactions during the financial year.

STATEMENT ON GOVERNANCE AND INTERNAL CONTROL - continued

16. Travel Policy

UCC Travel Policy and associated procedures in place have been developed having regard to Government travel policy requirements.

17. Guidelines on Achieving Value for Money in Public Expenditure

The University, to the best of its knowledge and belief, confirms that the Guidelines on Achieving Value for Money in Public Expenditure as set out in the Department of Public Expenditure, NDP Delivery and Reform Public Spending Code are being followed.

18. Tax Laws

The University is to the best of its knowledge and belief fully compliant with taxation laws and is committed to ensuring that all tax liabilities are paid on the relevant due dates.

19. Legal Disputes

The University confirms for this reporting period, that there were no legal disputes involving other State bodies.

20. Confidential Disclosure Reporting – Protected Disclosures Act 2014

The University confirms procedures were in place for the making of protected disclosures in accordance with S.21 (1) of the Protected Disclosures Act 2014. The University confirms that the annual report required under section 22(1) of the Act was published in advance of the 30 June 2024 deadline imposed by Section 22(1) of the Act. Two new protected disclosures were received in the reporting period. The disclosures were managed in accordance with the UCC Disclosures Policy. These disclosures, one of which was subject to external investigation, were not upheld.

21. Governing Authority Meetings

Eight meetings of the UCC Governing Authority took place during the financial year ended 30 September 2024. All meetings were quorate throughout. The Governing Authority Chair is satisfied that the number of meetings in the financial year was satisfactory to discharge the duties of the Governing Authority. The Governing Authority conducted six private sessions without the executive members or management present during the financial year 2023/24.

Following the enactment of the Higher Education Act, 2022, the University established a new Governing Authority on 02 November 2023. The new Governing Authority is composed of 19 members and its first meeting was convened on the 02nd of November 2023. The former Governing Authority had its last meeting on the 24th of October 2023.

22. Salary of President

The gross salary of the President during the financial year 2023/24 was €236,114, excluding Employer PRSI and Employer Pension Contribution.

23. Audit and Risk Management Committee Meetings

The UCC Audit & Risk Committee met on seven occasions during the financial year ended 30 September 2024. In addition, the Committee supplemented these scheduled meetings with four meetings in private session. The Governing Authority considers the number of meetings convened to be appropriate in carrying out its designated responsibilities.

24. Review of Governing Authority Performance

Governance Ireland, a firm of Corporate Governance Advisors & Consultants, were engaged to conduct an external review of the University's Governing Authority and committees in October 2022 and subsequently provided a report to Governing Authority in February 2023. The recommendations in the report related to transition to the new Governing Authority and Committees and updating of related documentation. These recommendations form part of the programme of work of the new Governing Authority. A Working Group was established to review the role, remit and terms of reference of the Governing Authority and of its Committees. Upon completion of the review, the working group transitioned to the Governing Authority Nominations Committee.

25. Data provided to Higher Education Authority

The University confirms satisfaction with the integrity and robustness of any data on student numbers and programmes provided to the HEA in the reporting period as well as information on staff numbers provided to the HEA under the Employment Control Framework and as otherwise required.

STATEMENT ON GOVERNANCE AND INTERNAL CONTROL - continued

26. Ending Sexual Violence and Harassment in Irish Higher Education Institutions

The University confirms that it is implementing appropriate structures, policies and processes to support the achievement and monitoring of the outcomes of Safe, Respectful, Supportive and Positive – Ending Sexual Violence and Harassment in Irish Higher Education Institutions (the ‘Framework for Consent’) as per the UCC’s published Action Plan to Tackle Sexual Violence and Harassment. As a member of the UCC University Leadership Team, the Deputy President and Registrar of the University was appointed as the sponsor for the implementation of the National Framework and is the Chair of the University Task Force. The Sexual Misconduct Policy and Procedure was reviewed by Academic Council in November 2023 and outline approval was given by Governing Authority in December 2023. The policy was approved by Governing Authority in March 2024. During the year in review, UCC had in place a published Action Plan to Tackle Sexual Violence and Harassment. UCC confirms that it is implementing the Institution’s published Action Plan to Tackle Sexual Violence and Harassment. During the year in review, progress towards the delivery of the outcomes of the Institution’s Action Plan to Tackle Sexual Violence and Harassment was regularly reviewed by the Institution’s senior management team and was reported to the Governing Authority. A Sexual Harassment and Violence Response Manager was appointed in December 2023 and will continue to oversee the implementation of the policy in 2025 and the roll out of educational/training sessions across the university.

27. Child Protection Policy

The University has revised its Child Safeguarding Statement so that it is in line with the Child First Act, 2015. This has been approved by the Governing Authority and is on the UCC website. Training has also been provided to UCC staff so that they are aware of relevant obligations in this regard.

28. Disability Act 2005

The University confirms that it is meeting its obligations under the *Disability Act 2005*. The University has measures in place to ensure that students have the opportunity to submit a request for an *Independent Assessment of Need* including access to buildings, services and information. As an equal opportunities’ employer, the University is active in recruitment of people with disabilities.

29. Fees and Expenses

No fees are paid to members of the Governing Authority or of the Committees of the Governing Authority in respect of their role as members. Expenses paid to members of Governing Authority in the reporting period comply with the Government guidelines from the Department of Finance and are presented in the University’s Annual Report. A table of expenses claimed by members of the Governing Authority is included as *Appendix A*.

30. Governing Authority Gender Balance

The University Governing Authority membership for the year in review comprised a minimum of 40% representation of each gender. There were 19 members of Governing Authority as of 30 September 2024. Excluding the 3 representatives from the Students Union, 9 were male and 7 were female.

The membership of the Governing Authority is outlined at www.ucc.ie/en/ocla/ga/members.

31. Subsidiaries, Joint Ventures and Interests in External Companies

a) Compliance with terms and conditions of consent of establishment

The University confirms that all subsidiary companies of the University continue to operate solely for the purpose for which they were established and remained in compliance with the terms and conditions of the consent under which they were established.

b) Code of Governance for Subsidiary Companies

The Code of Governance for Subsidiary Companies of Irish Universities was officially launched in March, 2022. The University has conducted a gap analysis of current practices within the UCC subsidiary companies against the requirements of the new code. A large majority of requirements are already being met through existing practices and an action plan to address any new requirements of the Code for each subsidiary is in place.

c) Annual Statement of Compliance for Subsidiary Companies

All subsidiaries are subject to review by Internal Audit. An Annual Statement of Compliance for the subsidiary companies was completed for the 2023/24 financial year.

STATEMENT ON GOVERNANCE AND INTERNAL CONTROL - continued

31. Subsidiaries, Joint Ventures and Interests in External Companies - continued

d) Details of any shareholdings and interests held by the University in external companies

COMPANY NAME	Year of Equity Grant	CURRENT EQUITY %
BioSensia Limited	2000	0.97%
Eblana Photonics Limited	2002	0.03%
Glantreo Limited	2004	9.50%
Atlantia Food Clinical Trials	2013	12.00%
Metabolomic Diagnostics	2013	9.57%
Exceedence Limited	2015	11.67%
Respiro Research & Development Limited	2015	15.00%
Artugen Therapeutics Limited (UCC's Shareholding in Adiso Therapeutics Ltd - Parent Company)	2016	0.03%
Food Choices at Work	2016	11.45%
Mirai Medical Limited	2017	5.46%
Loci Orthopaedics Limited	2017	0.85%
Selio Medical	2018	0.91%
Varadis Limited	2019	15.12%
Seqbiome Ltd	2019	15.00%
BioPixS	2020	15.00%
Liltoda	2020	15.00%
Bcon Medical	2021	3.00%
Cergenx	2021	12.50%
Stimul.AI Limited	2021	12.67%
Ceacam Therapeutics Limited	2022	15.00%
ProVascTec Limited	2022	13.04%
NeuroBell	2023	9.75%
The Well Schools Network	2023	15.00%
PlugNexus	2023	7.50%
CaraBia	2023	15.00%
ArrayPatch	2024	15.00%

e) Publicly Listed Holdings:

Tucana Health, a UCC spin out company was acquired by 4D Pharma in 2016 by means of a share purchase agreement. In exchange for the UCC equity shareholding in Tucana Health, consideration shares in 4D Pharma Ltd were issued to the University on a phased basis contingent on milestones being met. In June 2022, Oxford Finance LLC called in its outstanding loans with 4D Pharma PLC which totalled \$13.9 million. Unable to secure additional funding, 4D Pharma's board requested that trading of its shares on London's AIM stock exchange be suspended. Oxford Finance then instructed that 4D Pharma PLC be placed into administration. On 21st February 2023, 4D Pharma's wholly owned subsidiaries, including 4D Pharma Cork Limited were also placed into administration. 4D Pharma's ordinary shares will not return from suspension and have instead been cancelled from admission to trading on AIM as of 16th February 2023. The total UCC shareholding in 4D Pharma PLC is 52,315 ordinary shares, 0.08% of the 4D Pharma ordinary shares in issue.

f) Disclosure of cost to the Exchequer

The University confirms there was no cost to the Exchequer for any financing arrangements attaching to any joint venture or other similar arrangements (including loans, dividends or other forms of funding provided at the point of establishment of the joint venture / arrangement and thereafter).

32. Intellectual Property and Conflict of Interest

The University confirms that it has in place an *Intellectual Property Policy*, published on its website, which includes all the following elements:

- National IP Management requirements of the national IP Protocol (IP-Protocol-Resource-Guide.pdf knowledgetransferireland.com).
- Clearly sets out all intellectual property processes and researcher obligations.
- Includes a definition of intellectual property and outlines the intellectual property commercialisation decision-making processes.
- Includes a clear dispute resolution process.
- Describes revenue share mechanisms.

STATEMENT ON GOVERNANCE AND INTERNAL CONTROL - continued

32. Intellectual Property (IP) and Conflict of Interest - continued

The Finance Oversight, Planning and Resource Allocation Committee (formerly known as the Finance Committee) has satisfied itself as to the propriety of any benefits to staff arising from Intellectual Property commercialisation, joint ventures, spin-out companies or similar. Arrangements regarding staff benefits from participation in spinout companies or joint ventures are notified through the Governing Authority Finance Oversight, Planning and Resource Allocation Committee or via the Conflicts of Interests register. The Intellectual Property Policy referred to above specifically addresses staff benefits from income coming to UCC from (a) commercialisation of intellectual property through licensing; or (b) spinout equity return to UCC, and how these financial benefits are distributed to staff. The University confirms that the Governing Authority is made aware of all IP commercialisation and conflicts of interest on an annual basis. This IP policy is approved by the Governing Authority.

33. HEA Principles of Good Practice in Research in Irish Higher Education Institutions.

The University affirms that it is committed to and adhered to the key characteristics of good research practice as set out in the Principles of Good Practice in Research within Irish Higher Education Institutions, published by the Higher Education Authority.

34. System of Internal Controls

The University confirms that an effective system of internal control was maintained and operated in the reporting period. Any areas of weakness highlighted during the course of reviews and audits were communicated to management and recommendation were issued to instigate remediation. The status of outstanding recommendations is kept under review and discussed at each meeting of the Audit & Risk Committee.

35. Control Environment

The University confirms that its control environment was appropriate to the scale and complexity of the Organisation. The university's control environment includes policies, procedures, regulation as well as structured management responsibility, reporting and oversight.

36. Review of the Statement of Internal Control (External Auditors)

A Statement on Governance & Internal Control is included with the audited financial statements for the reporting period. The University confirms that the Statement on Governance & Internal Control is reviewed by the external auditors as part of the financial statements audit to ascertain the consistency of the information in the statement with information of which they are aware from their audit work carried out.

37. Review of the Statement of Internal Control (Governing Authority and Audit & Risk Committee)

The Annual Review of the Effectiveness of the System of Internal Control with respect to the year ended 30 September 2024 was completed and approved by the Audit & Risk Committee on 11 November 2024 and was presented to the Governing Authority on 10 of December 2024 to ensure it accurately reflects the control system in operation during the reporting period.

38. Key procedures put in place designed to provide effective internal control

a) Appropriate Control Environment:

The system of internal control comprises all material controls including financial, operational and compliance controls, and risk management systems that support the achievement of the University's aims and objectives while safeguarding the public and other funds and assets for which the University is responsible.

To discharge effectively this responsibility, there are two main standing committees of the Governing Authority that provide the assurance to Governing Authority around governance, risk and control. These are:

- The Finance Oversight, Planning and Resource Allocation Committee under delegation in statute from Governing Authority oversees the financial management of the University.
- The Audit & Risk Committee keeps under review and advises Governing Authority on the operation and effectiveness of the University's risk management systems.
- The University continues to review and enhance its control environment as required to ensure relevant risks are mitigated to an acceptable level. The system of internal control is designed to manage rather than eliminate the risk of failure to achieve aims and objectives or to conduct university affairs in an orderly and legitimate manner.

STATEMENT ON GOVERNANCE AND INTERNAL CONTROL - continued

38. Key procedures put in place designed to provide effective internal control - continued

(a) Appropriate Control Environment: - continued

The key elements of the system of internal control include:

- Clearly defined management responsibilities including segregation of duties, formal delegated authorities and sample checking of invoices and payments;
- Policies, procedures and regulations;
- Login, profile, management and password controls for access and use of financial systems;
- Strategic planning processes;
- Monthly reports issued to budget-holders throughout the year;
- Electronic approval hierarchy is in place for expenditure;
- Appropriate access and general controls within IT systems;
- a risk management system which identifies and reports key risks and the management actions taken to address these risks;
- adherence to national policy as informed by Higher Education Authority and other government departments.

(b) Business Risks

The Audit & Risk Committee keeps under review and advises Governing Authority on the operation and effectiveness of the University's risk management systems. Risk management forms a standing agenda item at meetings of the Audit & Risk Committee with regular attendance by the Corporate Secretary (as Chief Risk Officer) and the Director of Enterprise Risk. The *University Risk Register* is considered at meetings of the Audit & Risk Committee, which in turn reports on matters of importance thereon to the Governing Authority.

The Enterprise Risk Management Committee reports regularly to the University Leadership Team. The Enterprise Risk Management Committee has responsibility for the embedding of risk management across the University. A dedicated Risk Manager is in place to support risk management and business continuity planning across the University. A University Risk Register is in place and is subject to review during the year at six meetings of the Risk Management Committee as well as two Risk Management Workshops. The University's approach to the management of risk is set out in the University's *Risk Management Policy*. In the course of the reporting period, the University Risk Register was updated on an ongoing basis to take account of any changes to the description, controls, impact, likelihood and further actions associated with risks identified in the risk register.

(c) Information Systems:

UCC utilises the *Agresso Financial Management System* (Agresso) to record budgetary information and report on income and expenditure on a monthly basis. Agresso has reporting capability at cost-centre and at project level, which enables high-level organisational review of financial performance as well as detailed monitoring by individual budget-holders. The University's annual external audit includes an assessment of the adequacy of the general computer control environment surrounding the main information technology platforms, which support the UCC financial systems. The findings of this review are considered by management and the Audit & Risk Committee.

(d) Financial Implications of Major Business Risks:

The *University's Risk Management Policy* requires consideration of the consequences (including financial consequences) of risks through the completion and monitoring of risk registers. Internal audit reviews carried out include consideration of the adequacy of policies and procedures as well as the appropriate application of authorisation limits. The System of Internal Control has procedures to prevent and detect fraud such as authorisation limits (the *Signing Authority and Approval Policy*) and segregation of duties. An *Anti-Fraud Policy* is also in place and a *Fraud Response Panel* is established to deal with any allegations of fraud.

(e) Monitoring the Effectiveness of the Internal Control System:

Monitoring the effectiveness of the system of internal control is informed by the following processes:

- On-going review by the University Leadership Team and the provision of *Annual Assurance Statements* by senior officers;
- The Annual Report of the President to the Governing Authority;
- The President's Routine Reports presented at each meeting of the Governing Authority;
- Reports from the Finance Oversight, Planning and Resource Allocation Committee meetings relating to income, expenditure, research, treasury, debtors, liabilities/borrowings and capital which are placed before meetings of the Governing Authority;
- Reports from Academic Council meetings to meetings of the Governing Authority;

STATEMENT ON GOVERNANCE AND INTERNAL CONTROL - continued

38. Key procedures put in place designed to provide effective internal control - continued

(e) Monitoring the Effectiveness of the Internal Control System - continued:

- Enterprise Risk Management Committee in place with monitoring of the risk registers;
- Enterprise Risk Management Committee minutes forwarded after each meeting to University Leadership Team and Audit & Risk Committee;
- The regular report to Governing Authority and the annual report of the Audit & Risk Committee to the Governing Authority together with the work performed by the Internal Audit function during the year and comments arising from the committee's review of risk management and corporate governance arrangements;
- Management letters and reports from the University's external auditors and the Comptroller and Auditor General which are reviewed by the Audit & Risk Committee;
- Quality Assurance reports;
- Internal audit reports and updates;
- Communication of the results of other periodic reviews.

(f) IT Security

The University is satisfied that it has implemented adequate ICT Security measures and controls to ensure that the confidentiality, integrity, and availability of data and infrastructure is assured. UCC has implemented significant advances in its ICT Security Controls over the past number of years. An information security programme was implemented as part of the University's strategic prioritisation plan *UCC 2022 – Delivering a Connected University*. All actions in this plan were completed at the end of 2022. A revised security programme is now in place to adopt Government Security Baseline standards <https://www.gov.ie/en/publication/d1fd5-cyber-security-baseline-standards/>. UCC has performed a gap analysis against this baseline and will adopt this as its *IT Security Standard* across the University. In 2023 and 2024, EY conducted follow up reviews of cyber security controls and IT security overall in UCC against the original recommendations set out in previous EY reports. All recommendations have now been implemented. In addition, a continuous (semi-annual) audit on IT Security has been introduced in Q4-2024. Recommendations arising from this report are targeted to be addressed in Q2-2025. During this review period various cyber-attacks in Ireland resulted in additional focus from the EY audit team on incident response and controls against ransomware attacks. A detailed report was presented to Internal Audit on 15 May 2023. All residual risk and recommendations from the review are now being tracked through the IT Security worklist (2023-2025). The University's cyber improvement work will continue as outlined in the *IT Security Strategy (2023-2028)*, aligning with the Government Security Baseline, supporting the technology roadmap and keeping UCC safe from cybercrime. Our priorities for the next few years, includes this technology threat assessment roadmap, applications modernisation plans, data exfiltration tools and building organisational resilience to the threat of cyberattacks. UCC has a number of workshops planned in 2025 with business units to help them develop their business continuity plans for a cyber event.

(g) Risk management

The University confirms it had in place and implemented a risk management framework with processes to identify, evaluate and manage new and existing business risks.

The University confirms that the Corporate Risk Register was reviewed and updated at least twice during the year.

The University confirms Appropriate policies and procedures were in place to mitigate the risks identified.

(h) General governance and accountability Issues

- As per the Oversight agreement between the University and the HEA, the University confirms that the President kept the HEA informed, on a timely basis, of any governance issues, concerns, or major risks that arose for the Institution in the reporting period.
- The University confirms that there are no governance and accountability issues that the University considers should be brought to the attention of the HEA, other than as set out in the responses in the Annual Governance Statement.

STATEMENT ON GOVERNANCE AND INTERNAL CONTROL - continued

Weaknesses in Internal Control- Disclosure of details regarding instances where breaches in control occurred:

In 2024, the University has reported a surplus of €6.8m. A deficit of €8.6m was reported for the financial year ended 30 September 2023, which necessitated immediate management action to contain operating expenditure and ensure the future financial sustainability of the University. The deficit reported in 2023 led to a Section 64 external review, the outcomes from this review are currently being implemented. The main recommendations of this review were to

- Enhance governance framework.
- Strengthen financial reporting and oversight.
- Streamline budgeting and control mechanism.
- Cultivate and advocate a culture of openness and constructive challenge.
- Break down silos and foster collaboration.
- Strengthen risk management practices.
- Refocus Internal Audit and improve financial governance.
- Leadership development and succession Planning.
- Enhance communication and collaboration.
- Address committee culture and functionality.

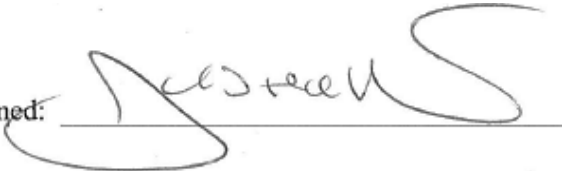
Progress towards these recommendations is being monitored by the Audit & Risk Committee and the Governing Authority. In 2024 significant progress has been made in implementing these recommendations. Findings related to weakness in internal control have been identified in the course of internal audit reviews carried out which have formed the basis of recommendations. Internal Audit's Annual Plan for the financial year ending 30 September 2025 includes continued examination of the processes, policies, procedures and levels of compliance associated with University expenditure and more broadly, its financial performance. The adequacy of the University's control environment and internal controls remains under constant review.

Description of the action taken to correct weaknesses

- A University project (Project Alpha) commenced to improve the financial performance and position of the University by reducing cost, optimising commercial and other income and maximising operational efficiency.
- Governing Authority review of the progress and success of Project Alpha.
- Audit & Risk Committee oversight of the timely implementation of internal audit recommendations.
- Audit & Risk Committee oversight of the scope of Internal Audit's programme of work and the commissioning of additional assurance related where deemed appropriate.


Approval by Governing Authority

I, John O'Halloran, President of University College Cork, hereby confirm that the Governing Authority of University College Cork is responsible for its system of internal control.

Signed: 

Date: 11th March 2025.

I, Sean O'Driscoll, Chair of the Governing Authority of University College Cork hereby confirm that the Governing Authority at its meeting on 11th March 2025 approved this Statement of Governance and Internal Control and specifically approved the President's Statement above.

Signed: 

Date: 11th March 2025.

STATEMENT ON GOVERNANCE AND INTERNAL CONTROL - continued

Appendix A
Table of Expenses Claimed by Governing Authority Members

Expenses Paid to External Governors	
<i>Name of Governor</i>	<i>Total expenses paid 01.10.2023 to 30.09.2024</i>
Day, Catherine	€ 166.00
Fitzgerald, Michael	€ 125.09
TOTAL	€ 291.09

**CONSOLIDATED AND UNIVERSITY STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 September 2024**

	Notes	Consolidated		University	
		2024 €'000	2023 €'000	2024 €'000	2023 €'000
Income					
State grants	3	101,265	89,013	101,265	89,013
Academic fees	4	170,393	162,413	170,393	159,549
Research grants and contracts	5	120,946	119,112	121,515	119,362
Amortisation of state capital grants	25	11,564	9,461	11,347	9,243
Other operating income	6	61,517	51,313	33,066	24,825
Interest income	7	2,169	560	2,164	564
Investment income	8	35	535	35	535
Deferred funding for pensions	33	<u>58,316</u>	<u>43,023</u>	<u>58,316</u>	<u>43,023</u>
Total income before endowments and donations		<u>526,205</u>	<u>475,430</u>	<u>498,101</u>	<u>446,114</u>
Donations and endowments	9	<u>5,710</u>	<u>4,195</u>	<u>2,121</u>	<u>2,472</u>
Total Income		<u>531,915</u>	<u>479,625</u>	<u>500,222</u>	<u>448,586</u>
Expenditure					
Staff costs	10	326,097	302,390	313,933	290,216
Pension service credit	33	(4,368)	(13,013)	(4,368)	(13,013)
Pension interest expense	33	62,684	56,114	62,684	56,114
Other operating expenses	11	113,013	115,206	104,531	104,545
Interest payable and similar charges	12	4,646	4,743	3,144	3,181
Depreciation	15	23,997	21,482	20,516	18,176
Amortisation	16	<u>1,029</u>	<u>906</u>	<u>1,029</u>	<u>906</u>
Total expenditure		<u>527,098</u>	<u>487,828</u>	<u>501,469</u>	<u>460,125</u>
Surplus/(deficit) before other gains/losses		4,817	(8,203)	(1,247)	(11,539)
Profit on disposal of fixed assets		23	-	-	-
Profit on disposal of investments		-	250	8	250
Gain/(loss) on investments		<u>1,938</u>	<u>(618)</u>	<u>1,938</u>	<u>(618)</u>
Surplus/(deficit) before taxation	14	6,778	(8,571)	699	(11,907)
Taxation	13	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Surplus/(deficit) for the year after depreciation of assets and after taxation	14	<u>6,778</u>	<u>(8,571)</u>	<u>699</u>	<u>(11,907)</u>
Actuarial gain/(loss) in respect of pension schemes	33	177,842	(47,846)	177,842	(47,846)
Movement on pension receivable	33	<u>(177,842)</u>	<u>47,846</u>	<u>(177,842)</u>	<u>47,846</u>
Total comprehensive income/(expense) for the year		<u>6,778</u>	<u>(8,571)</u>	<u>699</u>	<u>(11,907)</u>
Represented by:					
Restricted comprehensive income for the year	27	3,893	1,632	974	41
Unrestricted comprehensive income/(expense) for the year		<u>2,885</u>	<u>(10,203)</u>	<u>(275)</u>	<u>(11,948)</u>

The surplus/(deficit) for the year arose solely from continuing operations.

**CONSOLIDATED AND UNIVERSITY STATEMENT OF CHANGES IN RESERVES
FOR THE FINANCIAL YEAR ENDED 30 September 2024**

Consolidated

	Income and Expenditure reserve Unrestricted €'000	Income and Expenditure reserve Restricted €'000	Total €'000
Balance at 01 October 2022	220,230	23,447	243,677
(Deficit)/surplus from Statement of Comprehensive Income	<u>(10,203)</u>	<u>1,632</u>	<u>(8,571)</u>
Balance at 30 September 2023	<u>210,027</u>	<u>25,079</u>	<u>235,106</u>
Balance at 01 October 2023	210,027	25,079	235,106
Surplus from Statement of Comprehensive Income	<u>2,885</u>	<u>3,893</u>	<u>6,778</u>
Balance at 30 September 2024	<u>212,912</u>	<u>28,972</u>	<u>241,884</u>

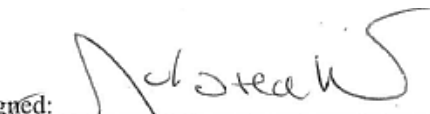
University

	Income and Expenditure reserve Unrestricted €'000	Income and Expenditure reserve Restricted €'000	Total €'000
Balance at 01 October 2022	166,473	18,103	184,576
(Deficit)/surplus from Statement of Comprehensive Income	<u>(11,948)</u>	<u>41</u>	<u>(11,907)</u>
Balance at 30 September 2023	<u>154,525</u>	<u>18,144</u>	<u>172,669</u>
Balance at 01 October 2023	154,525	18,144	172,669
(Deficit)/surplus from Statement of Comprehensive Income	<u>(275)</u>	<u>974</u>	<u>699</u>
Balance at 30 September 2024	<u>154,250</u>	<u>19,118</u>	<u>173,368</u>

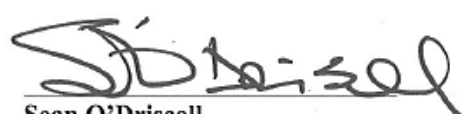
**CONSOLIDATED AND UNIVERSITY STATEMENT OF FINANCIAL POSITION
FOR THE FINANCIAL YEAR ENDED 30 September 2024**

	Notes	Consolidated		University	
		2024 €'000	2023 €'000	2024 €'000	2023 €'000
Non-current assets					
Fixed assets	15	673,792	684,396	568,191	576,244
Intangible assets	16	8,231	8,156	8,231	8,156
Heritage assets	17	3,219	3,094	3,219	3,094
Investments in subsidiaries	17	-	-	2,648	2,648
Investments	17	<u>30,810</u>	<u>28,567</u>	<u>30,810</u>	<u>28,567</u>
		<u>716,052</u>	<u>724,213</u>	<u>613,099</u>	<u>618,709</u>
Current assets					
Inventory	18	701	500	458	305
Receivables	19	70,172	53,909	83,734	67,059
Investments	20	50,728	15,726	50,728	15,726
Cash at bank	21	<u>122,604</u>	<u>134,706</u>	<u>95,244</u>	<u>113,080</u>
		<u>244,205</u>	<u>204,841</u>	<u>230,164</u>	<u>196,170</u>
Payables: Amounts falling due within one year	22	<u>(329,136)</u>	<u>(343,368)</u>	<u>(314,102)</u>	<u>(298,890)</u>
Net current liabilities		<u>(84,931)</u>	<u>(138,527)</u>	<u>(83,938)</u>	<u>(102,720)</u>
Total assets less current liabilities		631,121	585,686	529,161	515,989
Payables: Amounts falling due after one year	23	(382,850)	(347,418)	(349,406)	(340,158)
Retirement benefit liability	33	(1,619,723)	(1,383,565)	(1,619,723)	(1,383,565)
Retirement benefit receivable	33	<u>1,613,336</u>	<u>1,380,403</u>	<u>1,613,336</u>	<u>1,380,403</u>
Total net assets		<u>241,884</u>	<u>235,106</u>	<u>173,368</u>	<u>172,669</u>
Restricted reserve					
Income and expenditure -restricted reserve	27	28,972	25,079	19,118	18,144
Unrestricted reserve					
Income and expenditure – unrestricted reserve		<u>212,912</u>	<u>210,027</u>	<u>154,250</u>	<u>154,525</u>
Total reserves		<u>241,884</u>	<u>235,106</u>	<u>173,368</u>	<u>172,669</u>

The financial statements were approved by the Governing Authority on the 11th of March 2025 and were signed on its behalf by:

Signed: 

Professor John O'Halloran
President



Sean O'Driscoll
Chair of the Governing Authority

Date: 11th March 2025

Date: 11th March 2025

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 September 2024**

	Notes	2024 €'000	2023 €'000
Cash flow from operating activities			
Surplus/(deficit) for year		6,778	(8,571)
Adjustment for non-cash items			
Depreciation	15	23,997	21,482
Amortisation	16	1,029	906
Deferred state capital grants released to income	25	(11,564)	(9,461)
Profit on disposal of fixed assets		(23)	-
Profit on disposal of investments		-	(250)
(Gain)/loss on investments		(1,938)	618
Movement in net retirement liability	33	3,225	78
Adjustment for working capital movements			
(Increase)/decrease in inventory	18	(201)	132
(Increase) in receivables	19	(16,263)	(12,258)
Increase in payables		33,176	24,113
Adjustment for investing or financing activities			
Investment income	8	(35)	(535)
Donations received	9	(5,710)	(4,195)
Movement in investments		(2,243)	226
Interest payable	12	4,646	4,743
Other interest received	7	<u>(2,169)</u>	<u>(560)</u>
Net cash inflow from operating activities		<u>32,705</u>	<u>16,468</u>
Cash flows from investing activities			
Deferred state capital grants received	25	8,906	27,451
Investment income	8	35	535
Purchase of tangible and heritage assets		(14,621)	(26,201)
Donations received		5,710	4,195
Interest receivable	7	2,169	560
Profit on disposal of investments		23	250
Gain/(loss) on investments		<u>1,938</u>	<u>(618)</u>
Net cash inflow from investing activities		<u>4,160</u>	<u>6,172</u>
Cash flows from financing activities			
<i>Debt due within one year:</i>			
Interest payable	12	(4,646)	(4,743)
(Decrease)/increase in short term borrowings	22	(47,994)	48,489
<i>Debt due after one year:</i>			
Increase/(decrease) in long term borrowings	23	38,859	(50,408)
Payment of finance lease obligations	26	(184)	(180)
Net cash outflow from financing activities		<u>(13,965)</u>	<u>(6,842)</u>
Increase in cash and cash equivalents in the year		22,900	15,798
Cash and cash equivalents at beginning of year		<u>150,432</u>	<u>134,634</u>
Cash and cash equivalents at end of year	31	<u>173,332</u>	<u>150,432</u>

NOTES TO THE FINANCIAL STATEMENTS

1 Statement of accounting policies

The significant accounting policies adopted by the University are as follows:

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

a. General information and basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council, and promulgated for use in Ireland by Chartered Accountants Ireland and the statement of recommended practice (“SORP”) – accounting for further education/higher education as voluntarily adopted by UCC.

b. Basis of consolidation

The Group financial statements consolidate the financial statements of the University, its subsidiary undertakings as per Note 17 and Cork University Foundation made up to 30 September 2024. Cork University Foundation have been consolidated on the basis that the University exercises dominant influence over the entity and controls its financial and operating activities. The activities of the Students’ Union of UCC have not been consolidated because the University does not control those activities. Other undertakings in which the University has interests that are not material have not been consolidated.

c. Going concern

The University has net current liabilities of €84.9m at year end. The current liabilities of the group at 30 September 2024 include deferred income amounting to €250.8m (see Note 22). The University recorded a surplus of €6.8m in the current financial year.

The University is engaging with the Higher Education Authority to ensure the University can maintain a sustainable financial position into the future. In 2024 the University’s leadership team put in place a comprehensive plan with a view to identifying the immediate measures necessary to address the financial deficit that arose in 2023 and ensure a sustainable approach to University finances, including the achievement of a surplus position. The University continues to actively engage with the HEA with respect to the University’s financial planning.

The University has prepared cash flow forecasts which illustrate that it has sufficient funding to meet its obligations as they fall due for a period of at least one year from the date of the signing of these financial statements. The University continues to maintain strong liquidity. In conjunction with other third level institutions, the University has made representations to the Irish government stressing the requirement for additional funding for the sector in order to support expected deficits in the future. Based on these forecasts and this additional information, the Governing Authority is satisfied that the financial statements should be prepared on a going concern basis and that the University has sufficient funds to meet its obligations as they fall due. As a result, the financial statements do not include any adjustments that may be necessary were the going concern basis of preparation deemed not to be appropriate.

d. Tangible fixed assets

(i) Land and buildings

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. The cost of certain tangible fixed assets includes payroll costs which are directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by management. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Freehold buildings	50 to 80 years
Building Improvements	20 years

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

The last valuation was carried out on 30 September 1994. The University has fixed the value of the land and buildings as at 30 September 1994 as this was the first year of the implementation of generally accepted accounting principles in respect of fixed assets in presenting the financial statements of the University. Consistent with paragraph 35.10(d) FRS 102, the University took the transitional exemption available to a first-time adopter, in the financial year ended 30 September 2016, to use this previous GAAP valuation for tangible fixed assets as its deemed cost at the date of transition.

NOTES TO THE FINANCIAL STATEMENTS - continued

1 Statement of accounting policies - continued

d. Tangible fixed assets - continued

In 2021, the University completed a review of the expected Economic Useful Life (EUL) of certain buildings. This review increased the EUL of certain buildings from 50 to 80 years.

(ii) Equipment

All Equipment is capitalised at cost. Capitalised equipment is depreciated on a straight-line basis over its useful economic life as follows:

Computer equipment	3 years
Equipment	5 years

(iii) Assets in the course of construction

Assets in the course of construction are not depreciated until they are brought into use.

Where assets (other than land) are acquired with the aid of State capital grants, they are capitalised and depreciated in accordance with the above policy, with the related grant being credited to a deferred capital grant account and released to the statement of comprehensive income over the expected useful economic life of the related asset.

e. Intangible assets

Computer software is carried at cost less accumulated amortisation and accumulated impairment losses. Software is amortised over its estimated useful life of 10 years on a straight-line basis. Software is not considered to have a residual value. Where factors, such as technological advancement or changes in market prices, indicate that the software's useful life has changed, the useful life is amended prospectively to reflect the new circumstances. Intangible fixed assets are reviewed for impairment if there is an indication that the intangible fixed asset may be impaired.

f. Finance leases

Leases in which the University assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. The assets are included in fixed assets and the capital element of the leasing commitment is shown as obligations under finance leases. Assets held under finance leases are depreciated over the useful life of the related asset if there is reasonable certainty that the University will obtain ownership by the end of the lease term. Lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged to the Statement of Comprehensive Income in proportion to the reducing capital element outstanding.

g. Heritage assets

The University holds and maintains certain heritage assets of significant historic and cultural importance to the State. The University collection includes artworks, paintings, silver, sculptures, manuscripts and other artefacts. UCC conserves these assets for research, teaching and for interaction between the university and the public. The university's campus most significant heritage building is the Main Quadrangle. This building forms an integral part of the working infrastructure of the campus and is capitalised in the university's fixed assets at a 1994 valuation and depreciated over a useful life of 80 years. Heritage assets acquired pre-1 October 2013 are not capitalised in the financial statements because it is considered no meaningful value can be attributed to them and any such value would not be readily realisable. All costs incurred in the preservation and conservation are expensed as incurred. Heritage Assets purchased for €10,000 or more after 1 October 2013 are capitalised in the Statement of Financial Position at original cost and not depreciated. Assets acquired by donation are not capitalised in the financial statements, as a reliable estimate of the value is not available and cannot be obtained at a cost, which is commensurate with the benefits to users of the financial statements.

h. Investments – non current

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified at fair value through the statement of comprehensive income. All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

i. Investments - current

Current investments represent cash deposits with a maturity of 3 months or more. Current investments are short term cash investments with an insignificant risk of change in value.

j. Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost is calculated using the FIFO (first-in, first-out) method. Provision is made for obsolete, slow-moving or defective items where appropriate.

NOTES TO THE FINANCIAL STATEMENTS - continued

1 Statement of accounting policies - continued

k. Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each Statement of Financial Position date. If there were objective evidence of impairment, an impairment loss would be recognised in the Statement of Comprehensive Income. There are no indicators of asset impairment at 30 September 2024.

l. Taxation

No taxation charge arises as the University and the majority of its subsidiary companies are exempt charities and are not liable for corporation tax or income tax on any of their charitable activities. The University is registered for value added tax, but since the supply of education is an exempt activity, on which no output tax is charged, it is unable to recover input tax on the majority of its purchases. Certain research and commercial activities within the University fall within the charge of VAT, any input or output tax relating to these activities is returned to Revenue by the University.

m. Recognition of income

State Grants

Grants from the Higher Education Authority and other government bodies are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to tangible fixed assets. Recurrent and non-recurrent grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants from the Higher Education Authority or other State bodies received in respect of the acquisition or construction of fixed assets (excluding land) are recognised over the expected useful life of the asset.

Academic Fees

Academic fees are recognised in the period to which they relate.

Research grants and contracts

Research grants and contracts income from research grants and contracts from government sources is recognised based on the performance/accrual model. Income from research grants and contracts from non-government sources is recognised based on the performance model i.e. income is recognised to the extent that performance-related conditions have been met. Research grants from non-government sources Income from grants from non-government sources is recognised in the Statement of Comprehensive Income when performance related conditions are met. If a restriction is in use but no performance related condition exists, the income is recorded in the Statement of Comprehensive 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 Comprehensive Income. Grants with restrictions are recorded within the Statement of Comprehensive Income on entitlement of the income and subsequently retained within a restricted reserve until such time that the expenditure is incurred in line with the restriction.

Income from short-term deposits

All income from short-term deposits is credited to the Statement of Comprehensive Income in the period in which it is earned.

Investment income

All investment income is reflected in the financial statements on a receipt basis, except for dividends and income receivable at the financial year end, which is accrued.

Donations without restrictions

Donations without restrictions are recorded in the Statement of Comprehensive Income on entitlement to the income.

Donations with restrictions

Donations with restrictions are recorded within the Statement of Comprehensive Income on entitlement to the income. The restricted income received is held in the temporarily restricted reserve until such time expenditure is incurred in accordance with the restrictions.

NOTES TO THE FINANCIAL STATEMENTS - continued

1 Statement of accounting policies - continued

n. Retirement benefits

The University operates three defined benefit pension schemes,

- The University College Cork (Closed) Scheme the “Closed Scheme”. The Closed Scheme applies to pensionable employees appointed prior to 31 December 2004 and is closed to new entrants.
- University College Cork Pension Scheme 2005 – known as the “2005 Scheme” The 2005 Scheme applies to all new staff appointed from 1 January 2005.
- Single Public Service Pension Scheme - This scheme is the defined benefit pension scheme for pensionable public servants appointed on or after 1 January 2013 in accordance with the Public Service Pensions (Single Scheme and Other Provisions) Act 2012.

New entrants to the Public Service on or after 1 January 2013 are members of a new pension scheme, the Single Public Service Pension Scheme (SPSPS). This scheme is administered by the Department of Public Expenditure, NDP Delivery and Reform. The SPSPS applies to all new staff who joined the public sector as new entrants on or after 01 January 2013. It is a defined benefit retirement scheme. All employment retirement contributions to the SPSPS are paid to a State retirement benefit account. The scheme operates on a pay as you go basis. It is the University's opinion (in accordance with Section 44 of the 2012 Act) that any liability in respect of the Single Scheme would be offset by an equivalent asset in respect of future State funding. Accordingly, the University recognises an asset, an amount comprising the unfunded deferred liability for pensions.

For defined benefit schemes, the amounts charged to the Statement of Comprehensive income are the costs arising from employee services rendered during the period and the cost of plan introductions, benefit changes, settlements and curtailments. As further explained in note 33 to the financial statements, the University has recognised a deferred pension asset in respect of the University College Cork (Closed) Pension Scheme and the University College Cork Pension Scheme 2005, on the basis that it anticipates that funding will be provided by the State to meet retirement benefit obligations as they fall due. This accounting treatment assumes that any income generated by the University will in the first instance be applied towards current expenses and that State funding will meet any shortfall in resources to fund future retirement benefit liabilities.

Pensions costs are included as part of staff costs. The net interest cost on the net defined benefit liability is charged to the Consolidated Statement of Comprehensive Income and included within finance costs. Re-measurement comprising actuarial gains and losses and the return on scheme assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in other comprehensive income.

Retirement benefit receivable asset

As further detailed in note 33, the University operated two closed defined benefit pension schemes. (i) University College Cork (Closed) Scheme the “Closed Scheme”, the University was advised that the State would meet the future retirement benefit liabilities for the University College Cork (closed) scheme as part of the Financial Measures (Miscellaneous Provisions) Act, 2009. It is the University's opinion (in accordance with Financial Measures (Miscellaneous Provisions) Act, 2009) that any liability in respect of the “Closed Scheme” would be offset by an equivalent asset in respect of future State funding. Accordingly, the University recognises an asset, an amount comprising the unfunded deferred liability for pensions. (ii) “University College Cork Pension Scheme 2005” – known as the “2005 Scheme”. The 2005 Scheme applies to all staff appointed between 1 January 2005 and 31 December 2012. This is an unfunded Scheme, which is paid on a pay-as-you-go basis through monies provided to the University by the State for that purpose. Under FRS 102, if any entity is virtually certain that another party would reimburse some or all of the expenditure required to secure a defined benefit obligation, the entity shall recognise the right to reimbursement as an asset. An entity shall treat those assets in the same way as plan assets. As a result, the financial statements reflect a receivable asset of €1,613m, which is offset against the expected retirement liability of €1,620m. Movements on this retirement benefit receivable are included in the Consolidated Statement of Comprehensive Income. Pension benefits for certain other employees of certain subsidiary undertakings are met by payments to a defined contribution pension scheme. Contributions are charged to the Consolidated Statement of Comprehensive Income in the year in which they fall due. Pension costs are accounted for on the basis of charging the cost of providing pensions over the period during which the University benefits from the employees' services.

o. 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 Statement of Financial Position date are reported at the rates of exchange prevailing at that date.

p. Investments

Investments in subsidiaries are carried at cost less impairment in the University's financial statements. Current asset investments represent monies placed on deposit. Any interest earned thereon is credited to the Statement of Comprehensive Income.

NOTES TO THE FINANCIAL STATEMENTS - continued

1 Statement of accounting policies - continued

q. Provisions

Provisions are liabilities of uncertain timing or amount. Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that a transfer of economic benefits will be required to settle the obligation; and the amount of the obligation can be estimated reliably. Provisions are measured at the present value of the best estimate of the amount required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are reviewed at the end of each financial year and adjusted to reflect the current best estimate of the amount required to settle the obligation. The unwinding of the discount is recognised as a finance cost in profit or loss, presented as part of 'interest payable and similar charges' in the financial year in which it arises. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

r. Grants

Capital government grants (other than land) are treated as deferred income, which is credited to the income and expenditure account on the same basis as the related assets are depreciated.

Non-government Capital Grants are accounted for under the performance model and are recognised in the Statement of Comprehensive Income when the performance related conditions have been met.

s. Financial assets

Basic financial assets, including trade and other debtors, cash and cash equivalents, short-term deposits. Trade and other debtors, cash and cash equivalents and financial assets from arrangements which constitute financing transactions are subsequently measured at amortised cost using the effective interest method.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such financial assets are subsequently measured at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are subsequently measured at cost less impairment.

t. Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as due within one year if payment is due within one year or less. If not, they are presented as falling due after more than one year. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

u. Operating leases

Operating leases do not transfer substantially all the risks and rewards of ownership to the lessee. Payments under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease.

v. Short-term employee benefits

Short-term employee benefits, including wages and salaries, paid holiday arrangements and other similar non-monetary benefits, are recognised as an expense in the financial year in which employees render the related service.

w. Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities. Cash and cash equivalents are initially measured at transaction price and subsequently measured at amortised cost.

Bank deposits which have original maturities of more than three months are not cash and cash equivalents and are presented as current asset investments.

NOTES TO THE FINANCIAL STATEMENTS - continued

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the University's accounting policies, which are described in note 1, the Governing Authority are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis.

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the Governing Authority has made in the process of applying the University's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

1) Pension

As outlined in Note 33 to the financial statements, the University operates three defined benefit pension schemes. On the basis that the Oireachtas will make good any deficiency arising to meet the University's obligations to pay pension benefits, the pension liability has been offset by the recognition of a retirement receivable asset. At 30 September 2024, the pension asset amounted to €1,613m and the pension liability amounted to €1,620m. In view of the significance of these matters, the University considers this a significant area of judgement. Refer to note 33 for additional details.

Key source of estimation and uncertainties

The following estimates have had the most significant effect on the amounts recognised in the financial statements:

1) Useful economic lives

The useful economic lives of tangible assets are key assumptions concerning the future at the reporting date. In determining these estimates, the University has considered the expected physical wear and tear, technical and commercial obsolescence and any other limits on the use of assets. The University has also considered whether any material items within classes of assets should have a separate depreciation rate to reflect the useful life of such assets and consider no such items to be relevant following review.

2) Provisions

Provisions are recognised when the University has a present obligation (legal or constructive) as a result of a past event, that is probable that the University will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

3) Impairment

The University having considered the carrying value of tangible assets consider that there are no indicators of impairment to the University's assets at 30 September 2024.

4) Pension benefits – assumptions

The University operates three defined benefit schemes. The cost of these benefits and the present value of the pension obligations is based on actuarial assumptions including; life expectancy, salary increases, pension increases, discount rates and inflation. The assumptions reflect historical experience and current trends. Further details are given in note 33 to the financial statements.

3 State grants	Consolidated		University	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
State grants allocated for recurrent purposes	<u>101.265</u>	<u>89.013</u>	<u>101.265</u>	<u>89.013</u>

The above grant income was received from the Higher Education Authority.

NOTES TO THE FINANCIAL STATEMENTS - continued

4 Academic fees	Consolidated		University	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Academic fee income paid directly by HEA	54,439	51,636	54,439	51,636
Academic fee income all other	<u>115,954</u>	<u>110,777</u>	<u>115,954</u>	<u>107,913</u>
	<u>170,393</u>	<u>162,413</u>	<u>170,393</u>	<u>159,549</u>

In 2024, €12,157,500 (2023: €12,093,983) being a contribution to student cost of living supports was also paid directly by the Higher Education Authority, this amount is included in the €116m above.

5 Research grants and contracts	Consolidated		University	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
State and semi-state	84,257	78,868	84,257	78,868
European Union	22,521	22,456	22,521	22,456
Industry	9,864	10,968	9,864	10,968
Other	<u>4,304</u>	<u>6,820</u>	<u>4,873</u>	<u>7,070</u>
	<u>120,946</u>	<u>119,112</u>	<u>121,515</u>	<u>119,362</u>

6 Other operating income	Consolidated		University	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Rental income - third party	2,471	2,385	2,389	2,385
Rental income - intercompany	-	-	2,180	657
Funded post income	2,067	1,843	2,067	1,843
Student residences income	12,808	10,166	-	-
Leisure facilities income	2,683	2,385	-	-
Student Facilities & Services (UCC) DAC income	3,406	3,209	-	-
Art Gallery income	199	275	-	-
Irish Management Institute DAC Income	10,987	11,138	-	-
Academic income – colleges & departments	13,765	12,061	13,764	12,061
Service & support areas	12,526	7,416	12,521	7,802
Government grants	<u>605</u>	<u>435</u>	<u>145</u>	<u>77</u>
	<u>61,517</u>	<u>51,313</u>	<u>33,066</u>	<u>24,825</u>

7 Interest income	Consolidated		University	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Interest income	<u>2,169</u>	<u>560</u>	<u>2,164</u>	<u>564</u>

8 Investment income	Consolidated		University	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Investment income on restricted reserve	35	404	35	404
Other investment income	<u>-</u>	<u>131</u>	<u>-</u>	<u>131</u>
	<u>35</u>	<u>535</u>	<u>35</u>	<u>535</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

9 Donations and endowments	Consolidated		University	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Donations with restrictions	5,509	3,627	-	227
Unrestricted donations	<u>201</u>	<u>568</u>	<u>2,121</u>	<u>2,245</u>
	<u>5,710</u>	<u>4,195</u>	<u>2,121</u>	<u>2,472</u>

10 Staff costs

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

	Consolidated		University	
	2024 Number	2023 Number	2024 Number	2023 Number
Teaching and research	1,994	1,896	1,994	1,889
Technical	121	123	121	123
Central administration and services	1,068	1,046	1,058	1,042
Other	<u>498</u>	<u>456</u>	<u>179</u>	<u>185</u>
	<u>3,681</u>	<u>3,521</u>	<u>3,352</u>	<u>3,239</u>

	Consolidated		University	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Salaries and wages	287,757	265,957	277,535	255,773
Social welfare costs	25,627	23,635	24,500	22,509
Other pension costs	<u>12,713</u>	<u>12,798</u>	<u>11,898</u>	<u>11,934</u>
	<u>326,097</u>	<u>302,390</u>	<u>313,933</u>	<u>290,216</u>

The University did not capitalise any payroll costs in 2024 (2023: €1.1m).

Key management compensation

The total remuneration for key management personnel for the year ended 30 September 2024 totalled €2.3m (2023: €2.0m). Employer pension costs for key management personnel for the year ended 30 September 2024 totalled €0.2m. Key management compensation includes all employee benefits. There were no post retirement or termination benefits paid to key management personnel. The University's key management personnel are members of the senior management team who form the University Management Team, UMT. The UMT includes the President, Deputy President & Registrar, Secretary, Bursar and heads of college.

Higher paid staff

The University has adopted a starting value of €60,000 to identify higher paid staff. Staff remuneration, in salary bands of €10,000, using €60,000 as the starting value, is as follows:

Salary Bands-€	Consolidated		University	
	Year Ended 30 September 2024	Year Ended 30 September 2023	Year Ended 30 September 2024	Year Ended 30 September 2023
60,000 - 70,000	530	437	513	422
70,001 - 80,000	234	312	220	299
80,001 - 90,000	216	131	209	124
90,001 - 100,000	240	276	237	273
100,001 - 110,000	252	229	249	228
110,001 - 120,000	125	38	122	33
120,001 - 130,000	36	62	34	62
130,001 - 140,000	92	54	92	53

NOTES TO THE FINANCIAL STATEMENTS - continued

10 Staff costs - continued

Salary Bands	Consolidated		University	
	Year Ended 30 September 2024	Year Ended 30 September 2023	Year Ended 30 September 2024	Year Ended 30 September 2023
140,001 - 150,000	19	4	18	3
150,001 - 160,000	3	7	3	7
160,001 - 170,000	28	83	28	83
170,001 - 180,000	59	1	59	1
180,001 - 190,000	2	2	2	2
190,001 - 200,000	-	1	-	1
200,001 - 210,000	1	3	1	3
210,001 - 220,000	2	1	2	1
220,001 - 230,000	1	2	1	2
230,001 - 240,000	2	1	2	1
240,001 - 250,000	2	3	2	3
250,001 - 260,000	-	5	-	5
260,001 - 270,000	5	-	5	-
270,001 - 280,000	1	-	1	-
280,001 - 290,000	-	2	-	2
290,001 - 300,000	4	2	4	2
Over 300,001	10	9	10	9
Grand Total	1,864	1,665	1,814	1,619

Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University. The University's key management personnel are members of the senior management team who form the University Management Team, UMT.

11 Other operating expenses

	Consolidated		University	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Heat, light, water and power	9,254	7,308	7,901	6,086
Advertising and promotion	761	1,121	663	1,079
Professional fees	8,940	7,234	8,490	6,633
Training and development	743	788	611	692
Equipment	4,359	5,373	4,359	5,373
Laboratory consumables	6,862	6,928	6,862	6,928
Postage, print and stationery supplies	1,373	2,123	1,303	2,055
Communications	1,263	971	1,229	925
Books and periodicals	2,312	2,270	2,326	2,324
Rent and rates	1,981	2,016	1,412	1,524
Motor, travel and subsistence – departmental	4,786	5,168	5,060	5,229
Motor, travel and subsistence - research	4,302	5,116	4,302	5,116
Computer supplies	1,128	1,315	729	965
Insurance	2,607	2,350	2,338	2,101
Software costs	5,350	5,644	5,340	5,632
Repairs and maintenance	18,732	19,848	15,865	16,986
Costs relating to the management of the UCC trust fund	205	221	204	220
Consumables and other expenses	<u>38,055</u>	<u>39,412</u>	<u>35,537</u>	<u>34,677</u>
	<u>113,013</u>	<u>115,206</u>	<u>104,531</u>	<u>104,545</u>

*Included in the Motor, travel and subsistence expense is hospitality expenditure of €1.2m (2023: €1.1m). This expenditure was incurred for business purposes.

NOTES TO THE FINANCIAL STATEMENTS - continued

11 Other operating expenses – continued

Auditors' remuneration for work carried out for the group in respect of the financial year is as follows:

	Consolidated		University	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
C&AG Audit Fees	53	49	53	49
Commercial Audit Fees	313	323	166	170
Other non-audit services	<u>41</u>	<u>41</u>	<u>24</u>	<u>24</u>

12 Interest payable and similar charges

	Consolidated		University	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
On bank loans, overdrafts and other loans wholly repayable within 5 years	544	502	364	357
On bank loans repayable after 5 years	3,860	3,996	2,538	2,579
On obligations arising under financing arrangements	<u>242</u>	<u>245</u>	<u>242</u>	<u>245</u>
	<u>4,646</u>	<u>4,743</u>	<u>3,144</u>	<u>3,181</u>

Interest payable includes interest on loans drawn down to fund residential accommodation for students and other capital investment programmes.

	Consolidated		University	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Pension interest expense (note 33)	<u>62,684</u>	<u>56,114</u>	<u>62,684</u>	<u>56,114</u>

13 Taxation

No taxation charge arises as the University and the majority of its subsidiary companies are exempt charities and are not liable for corporation tax or income tax on any of their charitable activities.

14 Surplus/(deficit) on continuing operations for the year

The UCC group recorded a surplus of €6.778m for the financial year (2023: €8.571m deficit).

The UCC parent entity recorded a surplus of € €0.699m for the financial year (2023: €11.907m deficit).

NOTES TO THE FINANCIAL STATEMENTS - continued

15 Fixed assets	Land and buildings	Computer equipment	Equipment	Assets in course of construction	Total
CONSOLIDATED	€'000	€'000	€'000	€'000	€'000
Cost or valuation					
At 01 October 2023	929,717	10,791	85,420	19,262	1,045,190
Additions	3,225	459	9,036	3,315	16,035
Reclassification	21	-	6,736	(6,757)	-
Impairment	-	-	-	(2,105)	(2,105)
Disposals	-	(61)	(513)	-	(574)
Transfer to Intangible assets	-	-	-	(537)	(537)
At 30 September 2024	<u>932,963</u>	<u>11,189</u>	<u>100,679</u>	<u>13,178</u>	<u>1,058,009</u>
Accumulated Depreciation					
At 01 October 2023	281,997	9,953	68,844	-	360,794
Depreciation for year	13,347	572	10,078	-	23,997
Disposals	-	(61)	(513)	-	(574)
At 30 September 2024	<u>295,344</u>	<u>10,464</u>	<u>78,409</u>	<u>-</u>	<u>384,217</u>
Net book value					
At 30 September 2024	<u>637,619</u>	<u>725</u>	<u>22,270</u>	<u>13,178</u>	<u>673,792</u>
At 01 October 2023	<u>647,720</u>	<u>838</u>	<u>16,576</u>	<u>19,262</u>	<u>684,396</u>

Land and buildings and equipment include assets valued in 1994 on a depreciated replacement cost basis by the College Planning Officer which has been the deemed cost on date of transition. Land and buildings and assets in course of construction includes €69.9m (2023: €69.9m) in respect of freehold land which is not depreciated.

In the year ended 30 September 2024 €Nil (2023: €1.1m) was capitalised in respect of payroll costs. The net book value of Land and buildings includes an amount of €10.4m in respect of a site and building which is subject to a Finance Lease - refer to note 26.

In 2024 the University, in conjunction with other stakeholders, concluded a strategic review of the facilities and resources required in the area of dentistry and dental teaching at UCC and Cork University Hospital. This strategic review was conducted and concluded in the context of the Project Alpha programme at UCC and the general capital project cost inflation in the Irish Economy. The outcome of this strategic review was that the University would upgrade its existing dental teaching facilities at Cork University Hospital and not proceed, at this time, with the construction of a new dental hospital facility at its Curraheen location in Cork. Consequently, the expenditure incurred to date, €2.1m, on the proposed new dental hospital facility at Curraheen was impaired at year end 30 September 2024 and has been removed from the University fixed asset register at year ended 30 September 2024.

NOTES TO THE FINANCIAL STATEMENTS - continued

15 Fixed assets – continued

UNIVERSITY	Land and buildings	Computer equipment	Equipment	Assets in course of construction	Total
	€'000	€'000	€'000	€'000	€'000
Cost					
At 01 October 2023	787,688	9,093	76,364	19,265	892,410
Additions	3,042	394	8,672	2,997	15,105
Reclassifications	-	-	6,735	(6,735)	-
Impairment	-	-	-	(2,105)	(2,105)
Disposals	-	(34)	(406)	-	(440)
Transfer to Intangible assets	-	-	-	(537)	(537)
At 30 September 2024	<u>790,730</u>	<u>9,453</u>	<u>91,365</u>	<u>12,885</u>	<u>904,433</u>
Accumulated Depreciation					
At 01 October 2023	245,981	8,652	61,533	-	316,166
Charge for year	10,748	432	9,336	-	20,516
Disposals	-	(34)	(406)	-	(440)
At 30 September 2024	<u>256,729</u>	<u>9,050</u>	<u>70,463</u>	<u>-</u>	<u>336,242</u>
Net book value					
At 30 September 2024	<u>534,001</u>	<u>403</u>	<u>20,902</u>	<u>12,885</u>	<u>568,191</u>
At 01 October 2023	<u>541,707</u>	<u>441</u>	<u>14,831</u>	<u>19,265</u>	<u>576,244</u>

16 Intangible assets

	Consolidated & University
	Computer software €'000
At 1 October 2023	
Cost	9,062
Accumulated amortisation	(906)
Carrying amount	<u>8,156</u>
	€'000
Financial year ended 30 September 2024	
Opening carrying amount	8,156
Additions	567
Transfer from fixed assets (note 15)	537
Amortisation	(1,029)
Closing carrying amount	<u>8,231</u>
At 30 September 2024	
Cost	10,166
Accumulated amortisation	(1,935)
Carrying amount	<u>8,231</u>

In 2024, €0.5m was transferred from construction in progress to intangible assets. This transfer relates to the student administration IT system that became operational in 2023.

NOTES TO THE FINANCIAL STATEMENTS - continued

17 Non-current assets

Investments & Heritage Assets	Consolidated		University	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Investments	<u>30,810</u>	<u>28,567</u>	<u>30,810</u>	<u>28,567</u>
Heritage assets	<u>3,219</u>	<u>3,094</u>	<u>3,219</u>	<u>3,094</u>
Investments in subsidiaries	<u>-</u>	<u>-</u>	<u>2,648</u>	<u>2,648</u>

(a) Investments

The non-current investments represent the investments held by the University Group. All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

Investments at fair value comprise	Consolidated		University	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Equities	14,512	12,102	14,512	12,102
Property	2,591	2,573	2,591	2,573
Infrastructure	5,614	6,481	5,614	6,481
Financial	2,867	2,952	2,867	2,952
Forestry	1,083	1,092	1,083	1,092
Other	3,117	2,338	3,117	2,338
Private equity	<u>1,026</u>	<u>1,029</u>	<u>1,026</u>	<u>1,029</u>
Total	<u>30,810</u>	<u>28,567</u>	<u>30,810</u>	<u>28,567</u>

Investments of €30.8m (2023: €28.6m) include restricted investments of €18.7m (2023: €17.5m) in relation to endowment funds commitments.

(b) Heritage assets

Included in Heritage Assets are assets deemed to be held for heritage purposes. The assets primarily relate to manuscripts, artefacts and art works. In addition to this, the University also owns a considerable number of works of art including paintings, silver, and sculptures. These works of art are not included in the Statement of Financial Position because, even though they are insured for substantial amounts, it is considered that no meaningful value can be attributed to them. Artwork Archives, printed books and other artefacts donated to the University have not been capitalised, as these are, in effect, inalienable, held in perpetuity, are mostly irreplaceable and are not readily realisable. They are neither disposed of for financial gain nor encumbered in any manner.

The University seeks to acquire, preserve and provide access to unique and distinct materials including rare books, manuscripts and other primary sources, as well as strong collections of supporting published materials. UCC Special Collections is home to UCC's unique collections of literary manuscripts, early printed books pre-1850, books from printing presses, collections donated from individuals, 18th - 20th century newspapers, theses, maps, pamphlets and microfilm. Special Collections has a dual role, not only to facilitate current research but also to care and conserve these unique and distinctive materials for future users. Special Collections work with students and faculty to support learning and teaching at UCC offering access to unique primary sources through instruction sessions and exhibitions. Special Collections also serves the research needs of external scholars, hosting researchers from around the globe interested in using the collections. Special Collections has achieved international recognition in several specific areas of research, most notably: Irish studies, Celtic studies, and Frank O'Connor.

NOTES TO THE FINANCIAL STATEMENTS - continued

17 Non-current assets - continued

Heritage Assets -continued

	Manuscripts, Artefacts & Art Works €'000	Total €'000
Cost		
At 1 October 2023	3,094	3,094
Additions	<u>125</u>	<u>125</u>
	<u>3,219</u>	<u>3,219</u>

At 30 September 2024

Five year summary of heritage assets

	2020 €'000	2021 €'000	2022 €'000	2023 €'000	2024 €'000
Cost					
At 1 October	2,600	2,790	2,916	2,936	3,094
Additions	<u>190</u>	<u>126</u>	<u>20</u>	<u>158</u>	<u>125</u>
Cost 30 September	<u>2,790</u>	<u>2,916</u>	<u>2,936</u>	<u>3,094</u>	<u>3,219</u>

(c) Investments in subsidiaries

The University held an interest in the following subsidiary undertakings:

Subsidiary undertakings	Principal activity	Interest %	Registered office/place of business
Incorporated			
Property Management (UCC) DAC	Property development	100%	University College Cork, Western Road, Cork.
Campus Accommodation (UCC) DAC	Student accommodation	100%	University College Cork, Western Road, Cork.
Art Gallery (UCC) DAC	Art gallery	100%	University College Cork, Western Road, Cork.
Student Facilities & Services (UCC) DAC	Student services	100%	University College Cork, Western Road, Cork.
Mardyke Leisure (UCC) DAC	Leisure facilities	100%	University College Cork, Western Road, Cork.
UCC Academy DAC	Educational	100%	University College Cork, Western Road, Cork
Irish Management Institute	Educational	100%	Sandyford Road, Dublin 6
SynBioHub DAC	Research	100%	University College Cork, Western Road, Cork
Cork Bio Manufacturing Park DAC	Research	100%	University College Cork, Western Road, Cork

In addition to the subsidiaries noted above, these financial statements consolidate the results of Cork University Foundation on the basis that the University exercises dominant influence over the entity and governs its financial and operating policies. Cork University Foundation was consolidated for the first time in 2020.

NOTES TO THE FINANCIAL STATEMENTS - continued

18 Inventory	Consolidated		University	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Consumables	15	6	15	6
Finished goods for resale	<u>686</u>	<u>494</u>	<u>443</u>	<u>299</u>
	<u>701</u>	<u>500</u>	<u>458</u>	<u>305</u>

Stocks are stated after provision for impairment of €Nil (2023: €1k).

19 Receivables	Consolidated		University	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Trade debtors	2,452	3,349	1,330	1,315
Research grants and contracts receivable	52,313	38,331	52,313	38,331
Amounts due from subsidiary undertakings	-	-	15,790	17,077
Deferred tax	8	172	-	-
Other debtors and prepayments	<u>15,399</u>	<u>12,057</u>	<u>14,301</u>	<u>10,336</u>
	<u>70,172</u>	<u>53,909</u>	<u>83,734</u>	<u>67,059</u>

Amounts due from subsidiary undertakings are repayable on demand.

Debtors for the Consolidated entity are stated after provision for impairment of €2.6m (2023: €3.8m).

20 Investments	Consolidated		University	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Short term deposits	<u>50,728</u>	<u>15,726</u>	<u>50,728</u>	<u>15,726</u>

Deposits are held with banks operating in the Republic of Ireland and licensed by the Central Bank of Ireland. These deposits have more than three months' maturity at the statement of financial position date. The interest rates for these deposits are fixed for the duration of the deposit at time of placement.

21 Cash at bank	Consolidated		University	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Cash at bank	107,234	124,662	89,664	109,246
Restricted bank balances	<u>15,370</u>	<u>10,044</u>	<u>5,580</u>	<u>3,834</u>
	<u>122,604</u>	<u>134,706</u>	<u>95,244</u>	<u>113,080</u>

Restricted cash and bank balances are defined as cash and bank balances that are not available for immediate use by the University. Such cash balances can only be used for certain defined purposes.

NOTES TO THE FINANCIAL STATEMENTS - continued

22 Payables: Amounts falling due within one year	Consolidated		University	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Trade creditors	7,149	4,729	5,480	3,455
Research grants and contracts in advance	154,512	125,340	154,512	125,340
Academic fees received in advance	60,793	57,352	60,793	57,352
State grant received in advance-HEA	18,354	16,879	18,354	16,879
Bank borrowings (note 24)	9,188	57,182	7,064	26,392
Bank overdraft	299	-	-	-
Amounts owed to subsidiary undertakings	-	-	1,166	1,522
Other taxation and social insurance	10,144	8,578	9,673	8,147
Deferred income	17,553	20,892	8,983	10,841
Deferred lease income	456	456	456	456
Deferred capital grants (note 25)	9,448	9,461	9,231	9,243
Short term finance lease obligation (note 26)	188	184	188	184
Other creditors & accruals	<u>41,052</u>	<u>42,315</u>	<u>38,202</u>	<u>39,079</u>
	<u>329,136</u>	<u>343,368</u>	<u>314,102</u>	<u>298,890</u>

Amounts owed to subsidiary undertakings are repayable on demand.

23 Payables: Amounts falling due after one year	Consolidated		University	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Bank loans (note 24)	154,237	115,378	127,694	115,378
Deferred capital grants (note 25)	214,848	217,493	209,193	211,622
Deferred lease income	799	1,255	799	1,255
Long term finance lease obligation (note 26)	11,715	11,903	11,715	11,903
Other creditors	<u>1,251</u>	<u>1,389</u>	<u>5</u>	<u>-</u>
	<u>382,850</u>	<u>347,418</u>	<u>349,406</u>	<u>340,158</u>

24 Bank Borrowings	Consolidated		University	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Bank loans				
Bank loans are repayable as follows:				
In one year or less (note 22)	<u>9,188</u>	<u>57,182</u>	<u>7,064</u>	<u>26,392</u>
Between one and two years	9,320	5,953	7,132	5,953
Between two and five years	28,727	17,958	21,806	17,958
In five years or more	<u>116,190</u>	<u>91,467</u>	<u>98,756</u>	<u>91,467</u>
Total – more than one year (note 23)	<u>154,237</u>	<u>115,378</u>	<u>127,694</u>	<u>115,378</u>
Total bank loans	<u>163,425</u>	<u>172,560</u>	<u>134,758</u>	<u>141,770</u>

Short-term bank borrowings have decreased to €9.2m from €57.2m in 2023. The decrease in 2024 from 2023 is due to the accounting presentation of certain University loans. At the statement of financial position date in 2023, the University was in breach of a bank covenant attached to its loans, resulting in certain elements of the group's loan portfolio being presented as current liabilities in 2023. At year ended 2024 the University is no longer in breach of this covenant as at the date of approval of these financial statements and the accounting presentation of these loans as current liabilities is not required. The increase in 2024 in long term bank borrowings also arises substantively from this accounting presentation requirement.

NOTES TO THE FINANCIAL STATEMENTS - continued

24 Bank Borrowings – continued

Lender	Amount of Loan €000's	Balance 2024 (Including interest accrued) €000's	Loan Term Years	Maturity Date	Borrower
Bank of Ireland	20,000	13,306	20	13/01/2038	UCC
European Investment Bank	15,000	11,311	23	18/11/2039	UCC
European Investment Bank	35,000	28,983	23	05/06/2041	UCC
European Investment Bank	50,000	43,515	23	21/06/2041	UCC
Bank of Ireland	8,450	6,085	20	22/09/2037	UCC
Housing Finance Agency	33,000	31,558	30	04/12/2050	UCC
Bank of Ireland	18,441	7,189	20	23/12/2033	Campus Accommodation (UCC) DAC
Bank of Ireland	15,176	8,764	20	14/01/2036	Campus Accommodation (UCC) DAC
Bank of Ireland	10,000	6,854	20	13/01/2038	Campus Accommodation (UCC) DAC
Bank of Ireland	8,736	5,860	20	13/01/2038	Campus Accommodation (UCC) DAC
Total	<u>213,803</u>	<u>163,425</u>			

The overall consolidated cost of capital for University borrowings in 2024 was 2.28%.

The University provides a negative pledge for its borrowings.

It has also guaranteed the liabilities in respect of the loans of its subsidiary, Campus Accommodation (UCC) DAC.

25 Deferred capital grants

	Buildings €'000	Equipment €'000	Total €'000
Consolidated			
Balances at 1 October 2023	208,641	18,313	226,954
Capital grants received	112	8,794	8,906
Released to income and expenditure	(3,795)	(7,769)	(11,564)
Balances at 30 September 2024	<u>204,958</u>	<u>19,338</u>	<u>224,296</u>
	2024		2023
The Deferred Capital Grants can be analysed as follows:	€'000		€'000
Consolidated			
Creditors falling due within one year (note 22)	9,448		9,461
Creditors falling due after one year (note 23)	<u>214,848</u>		<u>217,493</u>
	<u>224,296</u>		<u>226,954</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

25 Deferred capital grants - continued	Buildings €'000	Equipment €'000	Total €'000
University			
Balances at 1 October 2023	202,550	18,315	220,865
Capital grants received	112	8,794	8,906
Released to income and expenditure	<u>(3,578)</u>	<u>(7,769)</u>	<u>(11,347)</u>
Balances at 30 September 2024	<u>199,084</u>	<u>19,340</u>	<u>218,424</u>
	2024		2023
The Deferred Capital Grants can be analysed as follows:	€'000		€'000
University			
Creditors falling due within one year (note 22)	9,231		9,243
Creditors falling due after one year (note 23)	<u>209,193</u>		<u>211,622</u>
	<u>218,424</u>		<u>220,865</u>

26 Finance lease obligation

The University has entered into a ten-year lease agreement for the use of an educational property in Cork City. In 2018, the University agreed to purchase this property. The agreed purchase price will be paid at the end of the lease period. This lease obligation has the substance of a finance lease. Information about the obligation to make future lease payments is set out below.

	Consolidated & University	
	2024 €'000	2023 €'000
Future payments fall due as follows		
Within one year	426	426
Later than 1 year but within five years	<u>12,407</u>	<u>12,833</u>
Total	12,833	13,259
Future finance costs	<u>(930)</u>	<u>(1,172)</u>
Lease liability	<u>11,903</u>	<u>12,087</u>
<i>Analysed as follows:</i>		
Current portion (note 22)	188	184
Long term portion (note 23)	<u>11,715</u>	<u>11,903</u>
Lease liability	<u>11,903</u>	<u>12,087</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

27 Restricted Reserves

Restricted reserve related to both the UCC and Cork University Foundation (CUF) and is as follows:

	Consolidated		University	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Opening balance	25,079	23,447	18,144	18,103
New donations / funds invested	5,509	3,627	-	227
Investment income	35	404	35	404
Expenditure	(2,771)	(1,999)	(181)	(190)
Increase/(decrease) in market value of investments	<u>1,120</u>	<u>(400)</u>	<u>1,120</u>	<u>(400)</u>
Total restricted comprehensive income for the year	<u>3,893</u>	<u>1,632</u>	<u>974</u>	<u>41</u>
Closing balance	<u>28,972</u>	<u>25,079</u>	<u>19,118</u>	<u>18,144</u>
<i>Analysis of other restricted funds/donations by type of purpose:</i>				
Education and research	<u>5,509</u>	<u>3,627</u>	<u>-</u>	<u>227</u>

28 Contingencies

The University has no known material contingent liabilities at 30 September 2024.

29 Capital commitments

	Consolidated		University	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Contracted for but not provided	995	3,324	995	3,257
Authorised but not contracted out	<u>194</u>	<u>102,819</u>	<u>194</u>	<u>102,819</u>
	<u>1,189</u>	<u>106,143</u>	<u>1,189</u>	<u>106,076</u>

30 Financial instruments

The carrying values of the consolidated and University's financial assets and liabilities are summarised by category below:

	Consolidated		University	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Financial assets				
<i>Measured at fair value through the statement of comprehensive income</i>				
• Investments in listed equity instruments (note 17)	30,810	28,567	30,810	28,567
<i>Measured at undiscounted amounts receivable</i>				
• Trade debtors (note 19)	2,452	3,349	1,330	1,315
• Amounts due from subsidiary undertakings (note 19)	-	-	15,790	17,077
Financial liabilities				
<i>Measured at amortised cost</i>				
• Bank loans and other loans (note 24)	163,425	172,560	134,758	141,770
• Obligations under finance leases (note 26)	11,903	12,087	11,903	12,087
<i>Measured at undiscounted amounts payable</i>				
• Trade creditors (note 22)	7,149	4,729	5,480	3,455
• Amounts due to subsidiary undertakings (note 22)	-	-	1,166	1,522

NOTES TO THE FINANCIAL STATEMENTS - continued

31 Analysis of changes in net debt	2024 €'000	2023 €'000
Cash at bank/short term deposits/current investments	173,332	150,432
Bank overdraft	(299)	-
Bank borrowings due within 1 year	(9,188)	(57,182)
Bank borrowings due after 1 year	<u>(154,237)</u>	<u>(115,378)</u>
Total	<u>9,608</u>	<u>(22,128)</u>

32 Related parties

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

Transactions with entities that are part of the group and investees of the group, qualifying as related parties, are not disclosed as the University is exempt under FRS 102 33.9 – 'Related Party Disclosures'.

Related party transactions are not required to be disclosed where they are with other entities that are wholly owned subsidiaries of the University.

33 Retirement benefits

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

University College Cork – National University of Ireland Cork (Closed) Scheme – known as the “Closed Scheme”

The main scheme is the University College Cork (Closed) Scheme the “Closed Scheme”. The Closed Scheme applies to pensionable employees appointed prior to 31 December 2004 and is closed to new entrants. Up until 31 March 2010, the University funded the Closed Scheme, which operated under Statute, the assets of which were held separately from those of the University. The Financial Measures (Miscellaneous Provisions) Act, 2009, provided that the Oireachtas will make good any deficiency arising if the aggregate of members’ and employers’ contributions paid to or withheld by the University are insufficient to meet the University’s obligations to pay these benefits in accordance with the scheme. On 31 March 2010, in accordance with S.I. No. 124/2010, Financial Measures (Miscellaneous Provisions) Act 2009, (University College Cork – National University of Ireland, Cork) the assets of the Closed Pension Scheme were transferred to the National Pensions Reserve Fund. The members became members of a statutory unfunded scheme renamed “University College Cork (Closed) Scheme”. There was no effect on the benefits payable to the members, with the underlying basis being that the terms and conditions of entitlement of the members will continue to be no more and no less favourable than existed under the principles of the Scheme established by the UCC Governing Authority. Furthermore, the legislation in Section 6(2) sets out the effect the transfer order had on the assets of the Scheme where the relevant body [i.e. UCC] ceases to be liable in relation to the scheme. Following the transfer of assets to the exchequer, all decisions in relation to the Pension Scheme are no longer made by UCC. Within the overall pension liability is an amount of €90.1m relating to professional service added years. This €90.1m is inclusive of professional service added years earned directly in the UCC (Closed) Scheme as well as service earned elsewhere in the public sector, but credited to the UCC (Closed) Scheme following service transfer, typically on recruitment by UCC of a staff member from elsewhere in the public sector. Of the total added years’ liability of €90.1m, the professional service added years’ liability relating to the transferred in service is €12.8m. In previous years’ financial statements, it was explained that the Department of Education and the Department of Public Expenditure, NDP Delivery and Reform did not share UCC’s view regarding the funding of the €12.8m liability related to the professional added years transferred in service. This matter led to the commencement of legal proceedings between the departments involved and UCC. In October 2017, the University reached full and final agreement with the HEA, representing the State, on the future funding of the €12.8m liability referenced above. As a result, the legal action, taken by UCC was withdrawn. The agreement provides for the full entitlement regarding transferred in service to be paid to relevant staff and pensioners. Of the total liability of €12.8m, referenced above, UCC assessed its portion of the liability to be €3.1m and that the balance of the liability, €9.7m, would be funded by the State. UCC and the departments involved agreed, in line with actuarial advice, a funding plan in respect of this liability. In December 2023, the University received €3.225m in once-off funding from the HEA, to fully offset the remaining net commitment. This receipt was received into the UCC group bank account and resulted in the reduction of the pension receivable from the state by the same amount. Consequently, the net pension liability increased by €3.225m at year ended 30/09/2024 to €6.387m.

NOTES TO THE FINANCIAL STATEMENTS - continued

33 Retirement benefits - continued

“University College Cork Pension Scheme 2005” – known as the “2005 Scheme”

The 2005 Scheme applies to all new staff appointed from between 1 January 2005 and 31 December 2012. This is an unfunded Scheme, which is paid on a pay-as-you-go basis through monies provided to the University by the State for that purpose.

On the basis that the Oireachtas will make good any deficiency arising to meet the University’s obligations to pay pension benefits of the 2005 Scheme and that future pension liabilities of the 2005 Scheme are funded on a pay-as-you-go basis through monies provided to the University by the State for that purpose, the pension liability has been offset by the recognition of an asset equivalent to the University’s pension liabilities, as part of the overall deferred pension funding asset.

Single Public Service Pension Scheme

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 Pensions (Single Scheme and Other Provisions) Act 2012. Deductions made from employees under the Single Scheme are remitted by the University to the Department of Public Expenditure, NDP Delivery and Reform.

The University is prescribed in S.I. No 581 of 2012 as a relevant authority for the purposes of the Single Scheme. The University had 2,085 active members of the Single Scheme at 30 September 2024. Future benefits accruing to Scheme members have been provided for in these financial statements, as of 30 September 2024. It is the University’s opinion (in accordance with Section 44 of the 2012 Act) that any liability in respect of the Single Scheme would be offset by an equivalent asset in respect of future State funding.

The University has reported a net pension liability at 30 September 2024 and 2023 as follows:

	Consolidated and University	
	2024	2023
	€’000	€’000
Present value of the defined benefit obligations	<u>(1,619,723)</u>	<u>(1,383,565)</u>
Pension liability	<u>(1,619,723)</u>	<u>(1,383,565)</u>
	2024	2023
	€’000	€’000
Analysis of pension liability		
Closed Scheme	(701,127)	(643,982)
2005 Scheme	(827,292)	(676,498)
Single Public Sector Pension Scheme	<u>(91,304)</u>	<u>(63,085)</u>
	<u>(1,619,723)</u>	<u>(1,383,565)</u>
The pension receivable and net deficit at 30 September 2024 and 2023 is as follows:	2024	2023
	€’000	€’000
Pension receivable from the Irish State	<u>1,613,336</u>	<u>1,380,403</u>
Net pension deficit	<u>(6,387)</u>	<u>(3,162)</u>

Pension benefits for certain other employees of certain subsidiary undertakings are met by payments to a defined contribution pension scheme. Contributions are charged to the statement of comprehensive income in the year in which they fall due.

The requirements of FRS 102, Section 28 are fully adopted and the following movements are reflected in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS - continued

33 Retirement benefits - continued

<i>Movement in present value of defined benefit obligation</i>	2024 €'000	2023 €'000
Present value of defined benefit obligation at beginning of year	(1,383,565)	(1,388,310)
Current service cost	(33,122)	(34,886)
Interest cost	(62,684)	(56,114)
Benefits paid	41,741	39,339
Contributions by plan participants	(12,423)	(11,669)
Effect of changes in assumptions	(140,847)	70,351
Effect of experience adjustments	<u>(28,823)</u>	<u>(2,276)</u>
 Value of Defined benefit obligation at end of year	 <u>(1,619,723)</u>	 <u>(1,383,565)</u>

Analysis of movement in pension receivable during the year

	2024 €'000	2023 €'000
Analysis of deferred pension funding asset		
At beginning of year	1,380,403	1,385,226
Current service cost	33,122	34,886
Interest cost	62,684	56,114
Amounts included in other comprehensive income	177,842	(47,846)
Employer contributions	(37,490)	(47,899)
Decrease in deferred funding for pensions	<u>(3,225)</u>	<u>(78)</u>
 At end of year	 <u>1,613,336</u>	 <u>1,380,403</u>

The valuation of liabilities used for these disclosures has been based on an actuarial valuation carried out by an independent professionally qualified actuary at the Statement of Financial Position date. The financial assumptions used to calculate the retirement liabilities in relation to the defined benefit pension schemes under FRS 102, Section 28, are set out as follows:

Financial Assumptions	2024 Projected Unit	2023 Projected Unit
Valuation method		
Rate of increase in salaries	3.60%	4.05%
Rate of increase in state pension	2.10%	2.55%
Rate of increase in pensions in payment	2.60%	3.05%
Discount rate for scheme liabilities	3.60%	4.60%
Inflation assumption	2.10%	2.55%

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

The assumptions relating to longevity underlying the pension liabilities at the statement of financial position date are based on standard actuarial mortality tables. The assumptions are equivalent to expecting a 65-year-old to live for a number of years as follows:

	2024 Years M/F	2023 Years M/F
Retiring today (member age 65)	22.6/24.4	22.6/24.3
Retiring in 20 years (member age 45)	24.4/26.2	24.3/26.1

NOTES TO THE FINANCIAL STATEMENTS - continued

33 Retirement benefits - continued

Amounts recognised in the statement of comprehensive income in respect of pension liabilities are as follows:

	2024 €'000	2023 €'000
Amount included in staff costs		
Current service cost	33,122	34,886
Less employer contributions	<u>(37,490)</u>	<u>(47,899)</u>
	<u>(4,368)</u>	<u>(13,013)</u>
Other finance charges		
Interest on pension scheme liabilities	62,684	56,114
Net deferred funding for pensions		
Funding recoverable in respect of current year pension costs	(61,541)	(43,101)
Increase in deferred funding for pensions	<u>3,225</u>	<u>78</u>
	<u>(58,316)</u>	<u>(43,023)</u>
Amounts recognised in other comprehensive income		
Effect of changes in assumptions	140,847	(70,351)
Effect of experience adjustments	28,823	2,276
Return on plan assets	<u>8,172</u>	<u>20,229</u>
Actuarial gain/loss in respect of pension schemes	<u>177,842</u>	<u>(47,846)</u>
Movement in pension receivable	<u>177,842</u>	<u>(47,846)</u>

A subsidiary of the University, Irish Management Institute (a Company Limited by Guarantee) ("IMI") operates a defined contribution pension scheme. Certain permanent employees of IMI are eligible as members of the contributory defined contribution plan. The assets of the defined contribution plan are held separately from those of the University in an independent trustee administered fund. The IMI contributions are charged to the Statement of Comprehensive Income in the year in which contributions are payable. During the financial year, €0.48m (2023: €0.57m) was charged to the Statement of Comprehensive Income and contributions of € €0.04m (2023: €0.05m) were outstanding as at 30 September 2024.

34 Deferred Income

	2024 €'000	2023 €'000
State grant received & receivable	101,077	90,282
State grant receivable from prior accounting year	16,879	15,610
State grant deferred to subsequent accounting year	<u>(16,691)</u>	<u>(16,879)</u>
State grant per financial statements	<u>101,265</u>	<u>89,013</u>

35 US Department of Education Financial Responsibility Supplemental Schedule

In satisfaction of its obligations to facilitate students' access to US federal financial aid, the University is required, by the US Department of Education, to present the following Supplemental Schedule in a prescribed format.

The amounts presented within the schedules have been:

- prepared under the historical cost convention, subject to the revaluation of certain fixed assets;
- prepared using Irish generally accepted accounting practice, in accordance with Financial Reporting Standard 102 (FRS102) and the Statement of Recommended Practice: Accounting for Further and Higher Education (2019 edition); and,
- presented in Euro.

The schedules set out how each amount disclosed has been extracted from the financial statements. As set out above, the accounting policies used in determining the amounts disclosed are not intended to and do not comply with the requirements of accounting principles generally accepted in the United States of America.

NOTES TO THE FINANCIAL STATEMENTS - continued

35 US Department of Education Financial Responsibility Supplemental Schedule - continued

Primary Reserve Ratio

			2024	2024	2023	2023
Note/Schedule	Term used in the Financial Statements	Term used in US Department of Education Financial Responsibility Supplemental Schedule	€'000	€'000	€'000	€'000
		Expendable Net Assets:				
Consolidated statement of financial position	Income and expenditure – unrestricted reserve	Net assets without donor restrictions	212,912	-	210,027	-
Consolidated statement of financial position	Income and expenditure - restricted reserve	Net Assets with donor restrictions	28,972	-	25,079	-
N/A	N/A	Secured and Unsecured related party receivable	-	-	-	-
N/A	N/A	Unsecured related party receivable	-	-	-	-
15,16,25	Tangible Fixed assets €673,792k plus Heritage Assets €3,219k less Deferred Capital Grants €224,296k	Property, plant and equipment, net (includes Construction in progress)	452,715	-	460,536	-
35	35 - Supplemental disclosure - Line 1. d	Property, plant and equipment – pre-implementation	335,672	-	359,116	-
35	35 - Supplemental disclosure - Line 2. A	Property, plant and equipment – post-implementation with outstanding debt for original purchase	59,915	-	47,070	-
N/A	N/A	Property, plant and equipment – post implementation without outstanding debt for original purchase	-	-	-	-
35	35 - Supplemental disclosure - Line 3.	Construction in progress acquired post-implementation	57,128	-	54,350	-
N/A	N/A	Lease right-of-use asset, net	-	-	-	-
N/A	N/A	Lease right-of- use asset pre- implementation	-	-	-	-
N/A	N/A	Lease right-of- use asset post- implementation	-	-	-	-
16	Intangible Assets	Intangible assets	8,231	-	8,156	-

NOTES TO THE FINANCIAL STATEMENTS - continued

35 US Department of Education Financial Responsibility Supplemental Schedule - continued

Note/Schedule	Term used in the Financial Statements	Term used in US Department of Education Financial Responsibility Supplemental Schedule	2024 €'000	2024 €'000	2023 €'000	2023 €'000
		Expendable Net Assets:				
33	Net pension deficit	Post-employment and pension liabilities	6,387	-	3,162	-
24	Total bank loans	Long-term debt – for long term purposes	163,425	-	172,560	-
24	2023 Total bank loans €172,560k	Long-term debt – for long term purposes pre-implementation	172,560	-	174,479	-
24	2024 Total bank loans €163,425k less 2023 Total bank loans €172,560k	Long-term debt – for long term purposes post-implementation	(9,135)	-	(1,919)	-
N/A	N/A	Line of Credit for CIP	-	-	-	-
N/A	N/A	Lease right-of-use asset liability	-	-	-	-
N/A	N/A	Pre-implementation right-of-use leases	-	-	-	-
N/A	N/A	Post- implementation right-of-use leases	-	-	-	-
N/A	N/A	Annuities with donor restrictions	-	-	-	-
N/A	N/A	Term endowments with donor restrictions	-	-	-	-
N/A	N/A	Life income funds with donor restrictions	-	-	-	-
27	Consolidated statement financial position– Income and expenditure – unrestricted reserve	Net assets with donor restrictions: restricted in perpetuity	28,972	-	25,079	-
		Total Expenses and Losses:				
Consolidated statement of comprehensive income and expenditure	Consolidated Statement of Comprehensive Income and Expenditure - Total expenditure €527,098k less Note 27 restricted expenditure €2,771k	Total expenses without donor restrictions – taken directly from Statement of Activities	524,327	-	485,829	-
Consolidated statement of comprehensive income and expenditure	Consolidated Statement of Comprehensive Income and Expenditure – Investment income €35k, Gain on investments 1,938k, Deferred funding for pensions €58,316k, Pension service cost credit €4,368k, Pension Interest expense €62,684k.	Non-Operating and Net Investment (loss)	6,763	-	(89)	-

NOTES TO THE FINANCIAL STATEMENTS - continued

35 US Department of Education Financial Responsibility Supplemental Schedule - *continued*

			2024	2024	2023	2023
Note/Schedule	Term used in the Financial Statements	Term used in US Department of Education Financial Responsibility Supplemental Schedule	€'000	€'000	€'000	€'000
		Total Expenses and Losses:				
Consolidated statement of comprehensive income and expenditure	Gain/(Loss) on investments	Net investment gains/(losses)	1,938	-	(618)	-
N/A	N/A	Pension -related changes other than net periodic costs	-	-	-	-

Equity Ratio

			2024	2024	2023	2023
Note/Schedule	Term used in the Financial Statements	Term used in US Department of Education Financial Responsibility Supplemental Schedule	€'000	€'000	€'000	€'000
		Modified Net Assets:				
Consolidated statement of financial position	Income and expenditure – unrestricted reserve	Net assets without donor restrictions	212,912	-	210,027	-
Consolidated statement of financial position	Income and expenditure - restricted reserve	Net assets with donor restrictions	28,972	-	25,079	-
Consolidated statement of financial position	Intangible Assets	Intangible assets	8,231	-	8,156	-
N/A	N/A	Secured and Unsecured related party receivable	-	-	-	-
N/A	N/A	Unsecured related party receivables	-	-	-	-
		Modified Assets:				
Consolidated statement of financial position	Consolidated Statement of financial position – Non-current assets €716,052k plus Current assets €244,205k	Total assets	960,257	-	929,054	-
N/A	N/A	Lease right-of- use asset pre-implementation	-	-	-	-
N/A	N/A	Pre-implementation right-of-use leases	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS - continued

35 US Department of Education Financial Responsibility Supplemental Schedule – continued

Note/Schedule	Term used in the Financial Statements	Term used in US Department of Education Financial Responsibility Supplemental Schedule	2024 €'000	2024 €'000	2023 €'000	2023 €'000
		Modified Assets:				
N/A	N/A	Intangible assets	8,231	-	8,156	-
N/A	N/A	Secured and Unsecured related party receivable	-	-	-	-
N/A	N/A	Unsecured related party receivables	-	-	-	-
		Net Income Ratio:				
Consolidated statement of comprehensive income and expenditure	Consolidated Statement of Comprehensive Income and Expenditure – Unrestricted comprehensive income for the year	Change in Net Assets Without Donor Restrictions	2,885	-	(10,203)	-
Consolidated statement of comprehensive income and expenditure	Consolidated Statement of Comprehensive Income and Expenditure – total income Total income €531,915k less investment income €35k, add gain on sale of tangible fixed assets €23k, less deferred funding for pensions €58,316k Losses are not included	Total Revenues and Gains	473,587	-	436,067	-

University College Cork, National University of Ireland, Cork			2024	2023
Financial Responsibility Supplemental Disclosures Year Ended September 30, 2024			€'000	€'000
Property, plant and equipment, net				
1.	Pre-implementation property, plant and equipment, net			
a.	Ending balance of prior year financial statements (September 30, 2019)		675,915	675,915
b.	Less deferred capital grants (Note 25)		(224,296)	(226,954)
c.	Less subsequent depreciation and disposals		(115,947)	(89,845)
d.	Balance pre-implementation property, plant and equipment, net		335,672	359,116
2.	Debt Financed Post-Implementation property, plant and equipment; net Long-lived assets acquired with debt subsequent to September 30, 2019:			
a.	Total property, plant & equipment, net acquired with debt exceeding 12 months		59,915	47,070
3.	Construction in progress acquired subsequent to September 30, 2019		57,128	54,350
4.	Pre-implementation property, plant and equipment, net acquired without debt:			
a.	long-lived assets acquired without use of debt subsequent to September 30, 2019		-	-
5.	Total property, plant and equipment, net September 30		452,715	460,536

NOTES TO THE FINANCIAL STATEMENTS - continued

36 Post Statement of Financial Position Events

Subsequent to year end, on 12 November 2024, the directors of the Irish Management Institute (IMI) signed non-binding Heads of Terms related to the potential sale of the assets and liabilities of the IMI business to a third party. The process is ongoing.

There have been no other significant events affecting the University since the year end.

37 Approval of financial statements

The financial statements were approved by the Governing Authority on the 11th of March 2025.

**University College Cork
National University of Ireland, Cork**

**Additional Financial Information
(Not covered by the Auditors Report)**

Year Ended 30 September 2024

Consolidated Financial Statements Year ended 30 September 2024

Circular 13/2014 – Management of and Accountability for Grants from Exchequer Funds (not covered by the Auditor’s Report)

Research Grants

Grantor	Government Funding Department/Office	Grant (Deferred)/ Due 01/10/2023	Cash received 2023/24	Taken to Income 2023/24	Deferred Capital Grants	Grant (Deferred)/ Due 30/09/2024
		€'000's	€'000's	€'000's	€000's	€'000's
Department of Agriculture Food and the Marine	Dept. of Agriculture Food and the Marine	418	(2,146)	1,560	-	(168)
Enterprise Ireland	Dept. of Jobs, Enterprise and Innovation	(4,513)	(8,985)	15,454	-	1,956
Health Services Executive	Dept. of Health	(1,696)	(1,932)	1,431	-	(2,197)
Health Research Board	Dept. of Health	(3,224)	(8,133)	6,219	-	(5,138)
Irish Research Council	Dept. of Education and skills	(1,483)	(6,476)	6,317	-	(1,642)
Science Foundation of Ireland	Dept. of Jobs, Enterprise and Innovation	(42,760)	(48,303)	44,373	-	(46,690)
Teagasc	Dept. of Agriculture Food and the Marine	(36)	(1,620)	1,516	-	(140)
Sustainable Energy Ireland (SEI)	Dept. of Communications, Climate Action & Environment	(453)	(1,167)	1,907	-	287
Environmental Protection Agency	Dept. of Communications, Climate Action & Environment	109	(2,133)	811	-	(1,213)
Dept. of Communications, Climate Action & Environment	Dept. of Communications, Climate Action & Environment	(823)	(1,197)	1,518	-	(502)
Department of Jobs, Enterprise and Innovation	Dept. of Jobs, Enterprise and Innovation	(13,437)	(9,100)	3,456	-	(19,081)
Higher Education Authority		(2,130)	(619)	901	-	(1,848)
Other Irish Government/State Agencies	Various Departments	(14,370)	(11,393)	5,269	-	(20,494)
Total Exchequer Research Grants		(84,398)	(103,204)	90,732	-	(96,870)
Total Non-Exchequer Research Grants		(27,594)	(41,757)	37,102	-	(32,249)
Total per Research Accounts		(111,992)	(144,961)	127,834	-	(129,119)
Other Adjustments						
GAAP Adjustments		24,982	-	(6,888)	8,826	26,920
Research Grants and Contracts per Financial Statements		(87,010)	(144,961)	120,946	8,826	(102,199)

Capital Grants

The University received grant funding of €nil in year ended 30 September 2024, under the programme for research in Third Level Institutions (PRTL I V) and €nil for other capital programmes. All such expenditure incurred is in line with the specific terms and conditions of the capital grant. All funding received from the HEA for Capital Grants is treated in line with the specific terms and conditions as set out by the HEA and is in line with Government policies and guidelines.

A review of Research funding sources is performed annually. This annual review may lead to small reanalyses of funding sources, though not a change in overall Research funding sources balances.

Consolidated Financial Statements Year ended 30 September 2024

Governing Authority attendance 1 October 2023 to 30 September 2024

<i>Name</i>	<i>Number of Meetings Attended/Eligible to Attend</i>	<i>Name</i>	<i>Number of Meetings Attended/Eligible to Attend</i>
Adam, Professor Frédéric	1/1	McHugh, Ms, Rose	8/8
Boylan, Professor Geraldine	7/7	Moynihan, Cllr. Bernard	0/1
Breen, Mr. Dermot	1/1	O'Connell Vaughan, Ms. Hayley	0/1
Bugler, Mr. Brian	6/7	O'Driscoll, Mr. Sean (Chairperson with effect from 02 November 2023)	7/7
Byrne, Professor Stephen	8/8	O'Flaherty, Dr. Brian	1/1
Conrick, Professor Maeve	8/8	O'Halloran, Professor John	8/8
Conway, Cllr. Joe	1/1	O'Leary, Professor Brendan	4/5
Creagh, Ms. Barbara	7/7	O'Mahoney, Dr. Dermot	1/1
Day, Dr.Catherine (Former Chairperson)	1/1	O'Mahony, Ms. Alison	5/6
Delargy, Mr. Michael	1/1	O'Sullivan, Dr. Francis	6/7
Dineen, Mr.Owen	1/1	O'Sullivan, Professor Barry	0/1
Doyle-O'Neill, Dr.Finola	1/1	O'Sullivan, Ms. Jennifer	0/1
Finnegan, Professor Nuala	1/1	Power, Cllr. Jody	0/1
Fitzgerald, Cllr, Michael	1/1	Quill, Mx. Matthew	7/7
Fitzgibbons, Mr. John	7/8	Quinn, Mr. J.P.	1/1
Flynn, Dr. Angela	1/1	Trindle, Mr. Aidan	7/7
Foley, Mr. Colm	6/6		
Fouhy, Ms. Sylvia	6/7		
Hackett, Ms Sinead	1/1		
Halpin-Hill, Ms. Katie	2/2		
Healy, Ms. Michelle	0/1		
Hegarty, Professor Josephine	7/7		
Hurley, Mr Gary	1/1		
Kerins, Professor David	1/1		
Lahiff, Dr. Edward	7/7		
Laird, Dr. Heather	0/1		
Lane, Ms. Margaret	7/8		
Leen, Mr. Colm	0/1		
Maguire, Professor Anita	0/1		
Mannix Boyle, Dr. Valerie	1/1		
McCarthy, Cllr. Kieran	0/1		
Murphy, Cllr. Jason	1/1		

Consolidated Financial Statements Year ended 30 September 2024

Audit and Risk committee attendance 01st October 2023 – 30th September 2024.

<i>Name</i>	<i>Number of Meetings Attended</i>
Rose McHugh (Chair)	7
Maeve Carton	7
Robert Cahill	7
Professor Brendan O’Leary ¹	1
Richard Healy ²	2
Maura Quinn	7
Cora O’Farrell ³	2
Terri Moloney	7

¹ Appointment only covers 1 meeting in this period.

² Appointment only covers 2 meeting in this period

³ Was on maternity leave for 5 meetings during the period.

Consolidated Financial Statements Year ended 30 September 2024

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



Ireland's EU Structural Funds
Programmes 2007 - 2013

Co-funded by the Irish Government
and the European Union



**EUROPEAN REGIONAL
DEVELOPMENT FUND**

HEA

Higher Education Authority
An tÚdarás um Ard-Oideachas



An Roinn Breisoideachais agus Ardoideachais,
Taighde, Nuálaíochta agus Eolaíochta
Department of Further and Higher Education,
Research, Innovation and Science



An Roinn Fiontar, Trádála agus Nuálaíochta
Department of Enterprise, Trade and Innovation

Investing in Your Future

Programme for Research in Third Level Institutions (PRTL)

The Programme for Research in Third Level Institutions is Co-funded by the Irish Government and the European Union under Ireland's EU Structural Funds Programme 2007– 2013.