

**The Dublin City University Educational Trust**

**Annual Report and Financial Statements**

**Financial Period Ended 30 September 2020**

**Charity Number: 20022419**

**CONTENTS**

|                                   | <b>Page</b> |
|-----------------------------------|-------------|
| TRUSTEE AND OTHER INFORMATION     | 2           |
| TRUSTEE'S REPORT                  | 3 - 9       |
| DIRECTORS' REPORT                 | 10 - 13     |
| INDEPENDENT AUDITORS' REPORT      | 14 - 15     |
| STATEMENT OF FINANCIAL ACTIVITIES | 16          |
| BALANCE SHEET                     | 17          |
| STATEMENT OF CASH FLOWS           | 18          |
| NOTES TO THE FINANCIAL STATEMENTS | 19 - 30     |

## TRUSTEE AND OTHER INFORMATION

### Trustee

Dublin City University Educational Trust Company

### Subscribers to DCU Educational Trust Company

Mr E Quinn (Chair)  
Prof B MacCraith (Resigned 17 September 2020)  
Mr J McCrohan  
Mr R Reilly  
Mr D Raftery  
Prof Daire Keogh (Appointed 17 September 2020)  
Ms Bernie Cullinan (Resigned 4 March 2020)  
Ms D Hannigan

### Directors

Prof. Brian MacCraith (Resigned 17 September 2020)  
Jerry McCrohan  
Eamonn Quinn (Chair)  
Deirdre Hannigan  
Bernie Cullinan (Resigned 4 March 2020)  
Prof Daire Keogh (Appointed 17 September 2020)  
Raymond Reilly (Appointed 4 June 2020)

### Secretary

John O'Neill (Appointed 17 September 2020)  
Joe Quinsey (Resigned 17 September 2020)

### Chief Executive Officer

Joe Quinsey

**CHY Number:** 8960

**Charity number:** 20022419

### Investment Managers

Davy  
49 Dawson Street  
Dublin 2

Goodbody  
Two Ballsbridge Park  
Dublin 4

### Auditors

PricewaterhouseCoopers  
Chartered Accountants and Registered Auditors  
One Spencer Dock  
North Wall Quay  
Dublin 1

### Solicitors

Arthur Cox & Co  
Arthur Cox Building  
Earlsfort Terrace  
Dublin 2

### Bankers

AIB Bank  
Santry  
Dublin 9

## TRUSTEES' REPORT

The Trustee submit the report together with the audited financial statements for the financial period ended 30 September 2020.

### Objectives and activities

#### Mission Statement

Dublin City University Educational Trust is a registered charity (CHY 8960) established in 1988 to advance the development of Dublin City University. Our mission is to develop philanthropic relationships to support DCU in its mission to transform lives and societies.

We are passionate about the power of higher education to transform lives and society and believe great things are possible when philanthropy combines with a young, dynamic and ambitious university like DCU. From enabling research to tackle global challenges like the provision of clean water for everyone to scholarships for talented youth, the generosity of our supporters has a huge impact.

By supporting DCU's mission to transform lives and societies, our donors also contribute to achieving the United Nations Sustainable Development Goals which seek to end poverty, protect the planet and improve the lives and prospects of everyone, everywhere by 2030.

#### Objectives

Our key objectives in support of DCU's mission to transform lives and societies are:

- To grow, inspire and nurture philanthropic relationships with DCU's external partners, for today and for the future.

To collaborate with DCU colleagues to identify and communicate compelling philanthropic opportunities that will have a transformative impact on lives and societies.

#### Activities

In 2020, the Trust continued to pursue its goal of raising the funds required for priority projects identified by DCU in order to further the university's vision and mission. As always, a core part of our activities in 2020 also related to building our partnerships with individuals, companies and grant-making organisations in order to provide a solid foundation to generate philanthropic revenue in the future. This involved recognising our donors, reporting to them on the impact of their generosity and providing opportunities to interact with the DCU community.

The Trust acknowledges both the financial contributions and voluntary efforts of our supporters, which enabled our activities in 2020, despite the significant challenges and adversity which the Covid-19 pandemic created for all sectors of society.

#### *Principal, lead and major giving*

Our principal, lead and major giving programmes are critical to securing gifts that are of sufficient size to fund significant university initiatives such as a new permanent endowment, to provide capital support for facilities or to establish an academic chair or research centre. The Making a Difference section below outlines some of the new major, lead and principal gifts that made a significant impact in 2020.

#### *Regular giving*

Each year DCU alumni and friends give generously to support Access scholarships that enable talented young people from disadvantaged backgrounds to pursue their dream of higher education at DCU.

In May 2020, the Trust launched the DCU Covid-19 Student Emergency Fund to support students facing financial hardship due to Covid-19. The appeal received a resounding response, with over 400 DCU friends and alumni, donating €75,000 to support students in need.

## TRUSTEE'S REPORT – continued

### Objectives and activities - continued

#### Activities - continued

##### *Recognising philanthropic impact*

A key part of DCU Educational Trust's work is to build meaningful partnerships with the University's supporters for today and for the future that are inspired by a shared vision of the power of higher education to transform lives and societies. An important part of this work is recognising the generosity of our donors and their impact.

In 2020 we recognised this impact through our annual Leadership Circle Event which celebrates the ways in which the University's leading donors help DCU to achieve its mission. Due to Covid-19 restrictions, we welcomed 170 supporters to our first ever virtual Leadership Circle Event, which showcased the impact of philanthropy in enabling DCU projects and programmes in 2020. Each year the Trust presents three awards at this event to recognise individual, corporate and staff leadership. In 2020, awards were presented to:

- Microsoft Ireland - Corporate Leadership
- Norma Smurfit – Individual Leadership
- William Kelly, Dean of Teaching and Learning, DCU – Staff Leadership

##### *Communications and events*

A critical element of the Trust's activities involves communicating the impact, which the generosity of our donors has on the lives of our students and on society, and offering our supporters opportunities to interact with University life and the initiatives they support. In 2020, the Trust delivered a regular programme of communications activities, which included:

- An e-newsletter issued to all DCU supporters in February, April, July and October.
- Developing and sharing stories through our website and social media channels to showcase our projects and the impact of our supporters' donations.
- Production of an annual [Impact Report](#) and [video](#) which was circulated to donors in October 2020 to showcase the impact of their support in the 2019-2020 academic year.
- Hosting a Memorial Scholarships ceremony in February 2020 where scholarship donors were able to meet the recipient of their loved one's scholarship for the 2019/20 academic year. A total of 21 scholarships were awarded at the ceremony.
- Hosting our first DCU Access to the Workplace Business Community Event on Nurturing Young Talent in July 2020. The event provided insights on nurturing young talent and how to adapt when working remotely from speakers that included Bernard Brogan, CEO of PepTalk and former Dublin senior footballer, Helen Brennan, HR Business Partner with Colgate Palmolive and Access student Alexandru Caitaz.

## TRUSTEE'S REPORT – continued

### Achievements and performance

#### **Making a difference**

The Trust would like to acknowledge and thank our supporters for their financial contributions and voluntary efforts, which have been critical in enabling the University to achieve the impact outlined below. Despite a year like no other, our supporters pledged over €4.5 million to enable projects that further DCU's mission to transform lives and societies and that helped to achieve the United Nations Sustainable Development Goals in 2020.

#### *Naughton Family Chair in STEM Education*

In July 2020, DCU announced the creation of The Naughton Family Chair in STEM Education at DCU's Institute of Education. Supported by the Naughton Family Foundation, the Chair is first in Ireland to focus on STEM education at primary level and in early childhood education. Traditionally, STEM education initiatives have targeted post-primary level. However, recent research shows that experiences in primary and early years classrooms are critical to create positive dispositions towards STEM. With DCU's Institute of Education graduating over 500 primary teachers and 100 early childhood specialists each year, the new Chair will work closely with all those involved in the preparation of our future educators. The Chair will also build on world-class research undertaken by DCU's Centre for the Advancement of STEM Teaching and Learning (CASTeL), Ireland's largest STEM education research centre.

#### *Covid-19 Research & Innovation Hub*

In May 2020, DCU established its Covid-19 Research and Innovation Hub to provide swift solutions to the challenges of Covid-19. Backed by philanthropic funding from DCU Educational Trust, the Hub brings together DCU's research strengths to tackle key problems created by the Covid-19 crisis across four main areas: healthcare, technology, the economy and society. The initial philanthropic investment has since enabled three DCU project leaders, Dr Jane Suiter, Prof Stephen Daniels and Dr Paul Leonard to secure additional funding to further their projects through a €5.5 million Covid-19 Rapid Response Research and Innovation Programme established by Science Foundation Ireland, Enterprise Ireland, IDA Ireland, the Health Research Board and the Irish Research Council.

#### *DCU Access Scholarship Programme*

DCU's Access Programme aims to make third level education attainable to talented students from socio-economically disadvantaged backgrounds and provides a range of personal, financial and academic supports to support students to thrive and excel in their studies at DCU. In 2019/20 the programme supported 1,158 Access students enrolled at DCU. In 2019/20, DCU's supporters pledged €989,000 to fund scholarships for Access students at DCU.

#### *DCU Access to the Workplace*

Launched in 2019, the DCU Access to the Workplace Programme provides students from socio-economically disadvantaged backgrounds with high-quality summer internships hosted by companies who make a philanthropic contribution to support Access scholarships at DCU. Although office closures due to Covid-19 created challenges for partner companies in summer 2020, 13 companies successfully adapted to offer remote placements for students instead. To maximise the number of virtual placements available for Access students in 2021, in 2020 Deloitte committed to support research into effective virtual internships by DCU's Professor David Collings, which will result in the development of a virtual internships toolkit for DCU Access to the Workplace employers in 2021.

#### *University of Sanctuary*

Since DCU's designation as Ireland's first University of Sanctuary in 2016, DCU has continued to deliver a range of initiatives to welcome refugees and asylum seekers into the university community and to foster a culture of inclusion for all. Since its launch, the University of Sanctuary programme has provided scholarships that have supported 26 asylum seekers to overcome financial and logistical obstacles to enrolling in higher education. In 2019/20, our supporters Siemens, Ornu, Aircastle, Aideen O'Byrne, Vodafone and eBay continued to play a critical role in providing these transformative opportunities.

## TRUSTEE'S REPORT – continued

### Achievements and performance - continued

#### Making a difference - continued

##### *Write to Read*

New support from the Quinn Family Foundation and Deutsche Bank in 2020 enabled Write to Read to continue its work to address the literacy achievement gap in Ireland and to support children to develop as readers, writers and thinkers. Write to Read works by providing professional development that enables teachers to deliver quality literacy programmes in their classrooms. Philanthropic support in 2020 enabled Write to Read to develop a new website and toolkit to make its professional development available to teachers in over 680 DEIS (disadvantaged) schools across Ireland. The project aims to support at least 170 teachers and 2,730 children in disadvantaged schools from September 2020 to 2022.

##### *FUSE Anti-bullying and Online Safety Programme*

The FUSE Anti-Bullying and Online Safety Programme was developed by DCU's National Anti-Bullying Research and Resource Centre with support from Facebook to empower young people to tackle bullying and online safety issues with support from their whole school community. FUSE was offered to all post-primary schools across Ireland for the first time in the 2019/20 school year and was fortunate to conclude its in-school activities before Covid-19 closures in March 2020.

##### *NTR Foundation Return-to-Work Scholarship*

In 2020, a gift from the NTR Foundation enabled the creation of a new NTR Foundation Return-to-Work Scholarship to support an individual to complete DCU's MSc in Climate Change: Policy, Media and Society, a unique course in Ireland that was established by DCU in 2018 to provide a new generation of leaders with a thorough understanding of the climate regulatory landscape and the political, media and social environment within which change must be achieved. The scholarship was created to provide an opportunity for an individual to undertake master's study in this area, with a particular focus on those who have been on an extended career break and are looking to return to work.

##### *Rethink Ireland – Boost-It Fund*

In 2020, DCU's Access to the Workplace Programme and DCU's Changemaker Schools Network Programme received additional funding from ReThink Ireland's "Boost-it" Education and Mental Health Fund, which was established to support existing Rethink Ireland awardees to stay engaged with young people for the duration of the Covid-19 crisis and beyond. Both programmes were previously recipients of the ReThink Ireland Children and Youth Funds in 2019.

## TRUSTEE'S REPORT – continued

### Financial Review

The financial review is set out in the Directors report under the heading "Results" on page 11.

### Structure, governance and management

#### Directors

The DCU Educational Trust Company has four directors who retain ultimate responsibility for the strategic development of the organisation, for ensuring its transparent and effective operation and for exercising control to ensure expenditure is in line with strategic priorities and the expressed wishes of DCU donors.

The five current directors of DCU Educational Trust Company are:

Prof. Daire Keogh (Appointed 17 September 2020)  
Jerry McCrohan  
Eamonn Quinn (Chair)  
Deirdre Hannigan  
Raymond Reilly (Appointed 4 June 2020)

The secretary for DCU Educational Trust Company is John O'Neill (appointed 17 September 2020), replacing Joe Quinsey (resigned 17 September 2020).

The DCU Educational Trust Company Board of Directors met five times in the nine months to 30 Sept 2020.

#### Subscribers to DCU Educational Trust Company

Mr. E Quinn (Chair)  
Prof. B MacCraith (Resigned 17 September 2020)  
Mr. J McCrohan  
Mr. R Reilly  
Mr. D Raftery  
Ms. B Cullinan (Resigned 4 March 2020)  
Prof. Daire Keogh (Appointed 17 September 2020)  
Ms. D Hannigan

#### DCU Educational Trust Council of Trustees

The DCU Educational Trust also has an advisory board, the DCU Educational Trust Council of Trustees who generously give their time and expertise to guide the work of the organisation. The following are members of the Council of Trustees:

Prof. B MacCraith (Resigned 17 September 2020)  
Mr. E Quinn  
Mr. J McCrohan  
Ms. B Cullinan (Resigned 4 March 2020)  
Mr. R Reilly  
Mr. D Raftery  
Mr. J Canavan  
Mr. M Bennett  
Mr. P Brazel  
Mr. R M. Dunn, Ph.D  
Mr. P Keogh  
Mr. C O'Kelly  
Mr. P Kerley  
Mr. J F. Martin  
Ms D. Hannigan  
Ms F. Gallagher  
Mr. B O'Dwyer  
Mr. M O' Halleran  
Ms. M S Thompson  
Prof. D Keogh  
Ms. G White

## TRUSTEE'S REPORT – continued

### Structure, governance and management - continued

#### DCU Educational Trust Council of Trustees - continued

The Council of Trustees meets approximately four times per year. Its work is also supported by a number of sub-committees and working groups which currently include:

Finance Committee  
Risk and Compliance & Governance Committee  
Access Working Group

The following council members stepped down in 2020:

Prof. B MacCraith  
Ms. B Cullinan

The Trustees wish to extend their gratitude to Prof. MacCraith and Ms. Cullinan for their many years of service to the trust and wish them well for the future.

#### Trustee remuneration

No Trustee or subscriber received remuneration or compensation from the Trust during the financial period. No Trustee or subscriber has any financial interest in the Trust and there were no transactions with the Trust involving a Trustee during the financial period.

#### Plans for future periods

In order for the Trust to achieve its ambitious targets, the Educational Trust is dependent on the following factors:

- Viable philanthropic projects with significant financial targets.
- Skilled fundraisers who understand Dublin City University and their projects.
- Available prospects and donors which include High Net Worth Individuals, Corporations, Trusts and Foundations, and Alumni.
- Having appropriate Strategic Plans in place.
- An economic climate conducive to fundraising.

#### *Viable philanthropic projects with significant financial targets*

The disruption caused by the recent Covid-19 pandemic crisis, which could never have been anticipated in terms of its impact, has been far-reaching which has resulted in a full review of priority projects within DCU. In that context, we continue to work closely with DCU senior management to ensure there is constant alignment between current and emergent college priorities and our fundraising efforts. This is an ongoing and dynamic process. By way of example, during May 2020, the Trust has been working closely with DCU senior management to launch two fundraising initiatives; an appeal to college alumni to solicit support for the ongoing Access programme and a philanthropic plan to support the newly-establish DCU Covid-19 Research and Innovation Hub. In addition, we are constantly reviewing our funding position in the context of ongoing project commitments to ensure we minimise risk to project funding.

#### *Skilled fundraisers who understand Dublin City University and their projects*

Particularly in the current environment recruiting and retaining the best people is a key objective of the Trust. We are currently recruiting for some key roles which will strengthen the team going forward.

#### *Available prospects and donors*

Our international strategy, particularly the US has so far been very successful, and we will continue to build our presence in these markets. Our Alumni base is maturing and through improved Alumni relations activities, we are getting the message to a broader base of potential donors.

#### *Strategic Plans*

We align our strategic planning process to that of the five-year rolling Strategic Planning process of the university. We develop and implement a number of sub plans which ensure that our key deliverables are in synch with the fundraising objectives of Dublin City University.

**TRUSTEE'S REPORT – continued**

**Structure, governance and management – continued**

**Plans for future periods - continued**

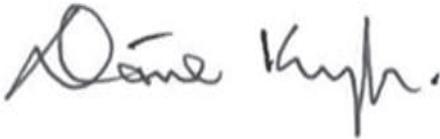
*Economic climate*

Clearly the global economic climate has been massively disrupted since the outbreak of the Covid-19 pandemic. The current level of economic uncertainty makes it very difficult to shape specific financial and project plans into the future. Going forward, the board will continue to take a prudent view in terms of decision-making relating to funding of projects whilst ensuring the longer term viability of the Trust. Fundraising plans will be monitored closely and adapted as necessary in the context of the prevailing economic conditions.

This report was approved by the board and signed on its behalf.



E Quinn



D Keogh

Date: 10 March 2021

## DIRECTORS REPORT

The directors present their annual report and the audited financial statements of the Trust for the financial period ended 30 September 2020.

The Directors confirm that the financial statements of the Trust comply with the current statutory requirement of the companies governing documents and the provisions of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the financial reporting standard applicable in the Republic of Ireland (FRS102) hereafter denoted as the Charity SORP (FRS102). The Charity SORP (FRS102) is not yet mandatory in the Republic of Ireland and the Irish Charity Regulation has not yet prescribed accounting regulations for Irish Charities. In the absence of such prescriptive guidance, this Board has adopted the Charity SORP (FRS102) as it is considered best practice.

### Trustee's responsibilities statement

The trustee, Dublin City University Educational Trust Company, through its directors, is responsible for preparing the Trustee's report and the financial statements in accordance with the Trust Deed.

The Trust Deed requires the directors to prepare financial statements for each financial year. Under the Trust Deed, the directors have prepared the financial 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" and the Trust Deed). Under the Trust Deed, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Trust and of the profit or loss of the Trust for that period.

In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable Irish Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in business.

The directors are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Trust Deed.

### Principal activities

The Dublin City University Educational Trust (Registered Charity Number 20022419 / CHY 8960) was established by Trust Deed in 1988. Up until 2015, the Trust was governed by a Board of Trustees. In 2015, Dublin City University Educational Trust Company (registration number: 571811) was established to act as the sole corporate trustee for the Dublin City University Educational Trust. The Dublin City University Educational Trust Company is governed by a separate memorandum and articles of association.

In 2017, Dublin City University Educational Trust officially agreed to embark on a journey to become fully compliant with the Governance Code, a code of practice for good governance of community, voluntary and charitable organisations in Ireland. In compliance with Financial Reporting Standard 102, the Trust, as a registered charity and public benefit entity, also adopted the Statement of Recommended Practice (SORP): Accounting and Reporting by Charities 2015, as issued by the Charities Commission (for England and Wales) and the Office of the Scottish Charity Regulator.

### Legal status

Dublin City University Educational Trust is a trust, which has been set up in accordance with its Trust Deed. The objectives of the Trust are charitable in nature.

## DIRECTORS' REPORT - continued

### Results

This is the second year that Dublin City University Educational Trust has prepared its financial statements in accordance with the Charities SORP, FRS 102.

The Trust incurred a deficit of €15,897 (2019: €498,493 surplus) for the period.

Total incoming funds amounted to €2.1m, a decrease of €2.1m on the previous year. The decrease is explained by a short financial year of 9 months in 2020 and a decrease in revenue from Donations and Legacies due to the difficult fundraising conditions brought about by Covid-19.

Income and endowments were derived primarily from the following sources:

|                             | Total period to<br>30 September<br>2020 | Total year to<br>31 December<br>2019 |
|-----------------------------|---|--------------------------------------|
| Income and endowments from: |   |                                      |
| Donations and legacies      | 1,682,622                               | 3,679,705                            |
| Income from Investments     | 39,165                                  | 57,459                               |
| Other                       | 405,841                                 | 453,841                              |
| <b>Total</b>                | <u>2,127,628</u>                        | <u>4,191,005</u>                     |

Total expenditure amounted to €2,229,802 (2019: €4,536,975). The decrease is explained by a short financial year of 9 months in 2020 and a decrease in Charitable Activities due to the difficult fundraising conditions brought about by Covid-19 Net (outgoing)/ incoming funds before investment gains for the period amounted to (€102,174), (2019: (€345,970)).

Total liabilities have increased by €795,524 and Total assets have increased by €779,627 resulting in an overall decrease in net assets of (€15,897).

Net gains on investments of €86,277 (2019: €844,463 gain) was recognised on investments as a result of generally weaker market conditions prevailing as at 30 September 2020.

Capital expenditure amounted to €nil (2019: €nil).

### Directors

The Dublin City University Educational Trust Company has five directors who retain ultimate responsibility for the strategic development of the Trust, for ensuring its transparent and effective operation and for exercising control to ensure expenditure is in line with strategic priorities and the expressed wishes of donors.

The five current directors of Dublin City University Educational Trust Company are:

- Professor Daire Keogh (Appointed 17 September 2020)
- Jerry McCrohan
- Eamonn Quinn (Chair)
- Deirdre Hannigan
- Raymond Reilly (Appointed 4 June 2020)

The secretary for Dublin City University Educational Trust Company is John O'Neill.

The Dublin City University Educational Trust Company Board of Directors met five times in 2019.

### Transactions involving directors and related parties

A number of donations have been received from trustees. These donations are without conditions that would or might, require the charity to alter significantly the nature of its existing activities if it were to accept the donation. This has been detailed in a separate disclosure in Note 15 - Related Parties.

## **DIRECTORS' REPORT - continued**

### **Financial year end**

On 17 September 2020 the directors resolved that the financial year end of the DCU Educational Trust Company be amended to 30 September and that the current financial period will be for 9 months ending on 30 September 2020.

### **Accounting records**

The measures taken by the directors to secure compliance with the Trust's obligation to keep proper books of account are the use of appropriate systems and procedures and employment of competent persons. The accounting records are kept at Dublin City University, Glasnevin, Dublin 9, Co. Dublin.

### **Risk management**

A Risk Register is prepared as part of an annual risk management cycle and is the primary documented output of the Trust's risk management process. As part of the risk management process, the Trust develops a register which will be used to measure, qualify and document current and emerging risks within the Trust. A scoring matrix is used to evaluate the likelihood and impact a risk may have. The combined total is calculated to give a residue risk score and a traffic light is assigned to define how detrimental a risk may be.

Risks which are measured at orange/red levels will be reported by the risk owner to the Designated Risk Office who will then bring these to the immediate attention of the Dublin City University Educational Trust chair who may seek additional advice outside of the Dublin City University Educational Trust Company.

COVID 19 is considered to give rise to a number of risks and uncertainties for the organisation. These risks are primarily financial in nature and pertain to the possibility of a significant loss in revenue to the organisation in the short term and greater uncertainty in preparing financial forecasts for future revenue. The directors also recognise the potential for risk to the reputation of the organisation should the operations be significantly affected.

### **Impact of Covid-19**

The directors have considered the continuing impact of COVID-19 on the business and financial affairs of the organisation.

We continue to consider the risks that coronavirus poses to the organisation and the actions we have taken to mitigate the impact. Current government advice states that employees should work from home, unless your work is an essential service that cannot be done from home. We are continuing to operate all of our services, albeit that we have had to introduce various social distancing and other health and safety protocols in executing our services. We have closed our physical office and have introduced remote working for all staff. All staff have been issued with secure and encrypted laptops and they continue to have access to company files and databases as necessary. The Trust is making extensive use of on-line meeting facilities. Our continuing determination is that there has been no significant deterioration in our staff's ability to perform their duties. At this time, it is unclear how long the government mandated measures will be in place for, however it is likely that they will continue to impact on how our services are executed for some time.

We have modelled the continuing likely effects of COVID 19 on our cash forecast for the next 12 months. The output of that exercise has identified that existing revenue streams arising from agreements already in place are likely to be impacted although not to a material extent. New revenue streams are unlikely to be materially affected. Payroll continues to be the trusts significant overhead. Our modelling indicates a reduction in cash reserves over the next 12 months. However, our projections suggest that even with impaired revenue streams, the Trust will have sufficient cash available to ensure our operations as they currently exist. Moreover, we have the potential to liquidate approximately 30% of our investment portfolio should it become necessary. Consequently, we believe that the Trust will be able to meet our obligations as they fall due, notwithstanding the impact of Coronavirus pandemic.

We have also considered, for the period of at least 12 months from signing the financial statements various measures we could take to control costs and conserve cash within the organisation, in the event that the social distancing and other pandemic mitigation measures remain. Management has prepared contingency plans for the reduction of staffing levels should this become necessary. We have also identified a number of other operational costs where we believe we can introduce cost saving measures most notably in event planning, promotion & design costs, and travel expenditure.

## DIRECTORS' REPORT - continued

Management are comfortable that the forecasts they have prepared have considered a number of sensitivities, including a range of outcomes, and that in all cases their remains sufficient mitigation measures available to management to ensure that cash-flows are managed and that the Organisation can continue to meet its obligations as they fall due for the period of at least 12 months from signing the financial statements.

There will be many challenges to our working practices as the pandemic develops and we are putting plans in place to protect our most vulnerable employees and residents, and to comply with differing levels of Government restrictions and cope with illness throughout the organisation. We are confident that as an organisation we have the ability to manage through this challenging time.

### Subsequent events

There are no subsequent events to report.

### Disclosure of information to auditors

The directors in office at the date of this report have each confirmed that:

- as far as he/she is aware, there is no relevant audit information of which the Trust's statutory auditors are unaware; and
- he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Trust's statutory auditors are aware of that information.

### Statutory auditors

The auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office, and a resolution that they be re-appointed will be proposed at the Annual General Meeting.

### On behalf of the board



E. Quinn



D Keogh

Date: 10 March 2021



## ***Independent auditors' report to the members of The Dublin City University Educational Trust***

### **Report on the audit of the financial statements**

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#### **Opinion**

In our opinion, The Dublin City University Educational Trust's financial statements:

- give a true and fair view of the company's assets, liabilities and financial position as at 30 September 2020 and of its net expenses and cash flows for the 9 month period (the "period") then ended;
- 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" and Irish law); and
- have been properly prepared in accordance with the requirements of the Trust Deed.

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

- the Balance Sheet as at 30 September 2020;
  - the Statement of Financial Activities for the period then ended;
  - the Statement of Cash Flows for the period then ended; and
  - the notes to the financial statements, which include a description of the significant accounting policies.
- 

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law.

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 company 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.

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#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where:

- the trustee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustee have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.



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## Reporting on other information

The other information comprises all of the information in the Annual Report and Financial Statements other than the financial statements and our auditors' report thereon. The trustee 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.

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## Responsibilities for the financial statements and the audit

### *Responsibilities of the trustee for the financial statements*

As explained more fully in the Trustee's Responsibilities Statement set out on page 10, the trustee 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 trustee 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 trustee are responsible for assessing the company'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 trustee either intend to liquidate the company 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.

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](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 opinions, has been prepared for and only for the company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, 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 save where expressly agreed by our prior consent in writing.

Aisling Fitzgerald  
for and on behalf of PricewaterhouseCoopers  
Chartered Accountants and Statutory Audit Firm  
Dublin  
10 March 2021

**STATEMENT OF FINANCIAL ACTIVITIES**  
**Financial Period Ended 30 September 2020**

|                                    | Notes | Unrestricted       | Designated     | Restricted         | Total<br>30 September<br>2020 | Total<br>31 December<br>2019 |
|------------------------------------|-------|--------------------|----------------|--------------------|-------------------------------|------------------------------|
|                                    |       | €                  | €              | €                  | €                             | €                            |
| Income and endowments from:        |       |                    |                |                    |                               |                              |
| Donations and legacies             | 3     | 228,707            | -              | 1,453,915          | 1,682,622                     | 3,679,705                    |
| Income from investments            | 4     | 5,335              | -              | 33,830             | 39,165                        | 57,459                       |
| Other                              | 5     | 339,391            | -              | 66,450             | 405,841                       | 453,841                      |
| <b>Total</b>                       |       | <b>573,434</b>     | <b>-</b>       | <b>1,554,195</b>   | <b>2,127,628</b>              | <b>4,191,005</b>             |
| Expenditure on:                    |       |                    |                |                    |                               |                              |
| Raising funds                      | 6     | (709,553)          | -              | -                  | (709,553)                     | (903,972)                    |
| Charitable activities              | 7     | (366,455)          | -              | (1,153,794)        | (1,520,249)                   | (3,633,003)                  |
| <b>Total</b>                       |       | <b>(1,076,008)</b> | <b>-</b>       | <b>(1,153,794)</b> | <b>(2,229,802)</b>            | <b>(4,536,975)</b>           |
| Net gain on investments            | 12    | 59,495             | -              | 26,782             | 86,277                        | 844,463                      |
| <b>Net (expenditure)/income</b>    |       | <b>(443,080)</b>   | <b>-</b>       | <b>427,183</b>     | <b>(15,897)</b>               | <b>498,493</b>               |
| Transfers between funds            |       | -                  | -              | -                  | -                             | -                            |
| <b>Net movement in funds</b>       |       | <b>(443,080)</b>   | <b>-</b>       | <b>427,183</b>     | <b>(15,897)</b>               | <b>498,493</b>               |
| <b>Reconciliation of funds:</b>    |       |                    |                |                    |                               |                              |
| Total funds brought forward        |       | 8,686,221          | 251,278        | 5,019,627          | 13,957,126                    | 13,458,633                   |
| <b>Total funds carried forward</b> |       | <b>8,243,141</b>   | <b>251,278</b> | <b>5,446,810</b>   | <b>13,941,228</b>             | <b>13,957,126</b>            |

**BALANCE SHEET**  
As at 30 September 2020

|                                       | Notes | 2020<br>€          | 2019<br>€          |
|---------------------------------------|-------|--------------------|--------------------|
| <b>Fixed assets</b>                   |       |                    |                    |
| Tangible assets                       | 10    | 9,727,602          | 9,767,506          |
| Investments                           | 12    | 6,893,734          | 6,797,057          |
|                                       |       | <u>16,621,336</u>  | <u>16,564,563</u>  |
| <b>Current assets</b>                 |       |                    |                    |
| Debtors                               | 13    | 18,045             | 3,692              |
| Deposits and cash at bank             |       | 1,675,796          | 967,296            |
|                                       |       | <u>1,693,840</u>   | <u>970,988</u>     |
| <b>Liabilities</b>                    |       |                    |                    |
| Creditors falling due within one year | 14    | (4,373,949)        | (3,578,425)        |
|                                       |       | <u>(4,373,949)</u> | <u>(3,578,425)</u> |
| <b>Net current liabilities</b>        |       | <u>(2,680,109)</u> | <u>(2,607,437)</u> |
| <b>Net assets</b>                     |       | <u>13,941,228</u>  | <u>13,957,126</u>  |
| <b>The funds of the charity</b>       |       |                    |                    |
| Restricted                            |       | 5,446,810          | 5,019,627          |
| Designated                            |       | 251,278            | 251,278            |
| Unrestricted                          |       | 8,243,141          | 8,686,221          |
|                                       |       | <u>13,941,228</u>  | <u>13,957,126</u>  |
| <b>Total funds</b>                    |       | <u>13,941,228</u>  | <u>13,957,126</u>  |

On behalf of the board

E Quinn

D Keogh

Date: 10 March 2021

**STATEMENT OF CASH FLOWS**  
**Financial Period Ended 30 September 2020**

|   | 2020<br>€               | 2019<br>€             |
|---|-------------------------|-----------------------|
| <b>Cash flows from operating activities</b>                 |                         |                       |
| Operating (deficit)/surplus                                 | (15,897)                | 498,493               |
| (Gains)/losses on investments                               | (86,277)                | (844,463)             |
| Depreciation  | 39,90                   | 53,204                |
| Income from investments                                     | (39,165)                | (57,459)              |
| Fees on investment portfolio                                | 28,765                  | 48,036                |
| (Increase) in Debtors                                       | (14,352)                | -                     |
| Increase in creditors                                       | 795,523                 | 106,337               |
| <b>Net cash generated from operating activities</b>         | <u>708,500</u>          | <u>(195,852)</u>      |
| <b>Net cash generated from investing activities</b>         | <u>-</u>                | <u>-</u>              |
| <b>Net cash generated from financing activities</b>         | <u>-</u>                | <u>-</u>              |
| <b>Net Increase/(Decrease) in cash and cash equivalents</b> | 708,500                 | (195,852)             |
| Cash and cash equivalents at beginning of year              | <u>967,296</u>          | <u>1,163,148</u>      |
| <b>Cash and cash equivalents at end of year</b>             | <u><u>1,675,796</u></u> | <u><u>967,296</u></u> |

## NOTES TO THE FINANCIAL STATEMENTS

### 1 General information

These financial statements comprising the Statement of Financial Activities, the Balance Sheet, the Statement of Cash flows and the related notes 1 to 16 constitute the individual financial statements of The Dublin City University Educational Trust for the financial period ended 30 September 2020.

On 17 September 2020 the directors resolved that the financial year end of the DCU Educational Trust Company be amended to 30 September and that the current financial period will be for 9 months ending on 30 September 2020.

The Dublin City University Educational Trust (the “Trust”) was formed on 18 October 1988. One of the main objectives of the Trust is the promotion of improved education for both under-graduate and post-graduate students of Dublin City University. The Trust is a charitable trust within the meaning of Section 207 of the Taxes Consolidation Act, 1997. The nature of the trust’s operations and its principal activities are set out in the Trustee’s Report and Directors’ Report on pages 3 to 12.

In prior years, company law scoped out companies not trading for gain for the members from the requirements with regard to formats and content of financial statements which applied to for profit companies thus permitting the adoption of a format appropriate to a charity. The Charities Regulatory Authority in Ireland has not yet published Accounting and Reporting Regulations for Charities. It is expected that such guidance will be published in 2021, and that this guidance will mandate the use of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), (Charity SORP FRS102). In the absence of such prescriptive guidance from the Charities Regulatory Authority, Trust have early adopted the Charity SORP FRS102, and have embraced its recommendations in these financial statements. This is the fourth year that Trust have adopted the Charity SORP FRS102.

Had the “company” format and content of financial statements requirements suitable for a company trading for the profit of its members been presented instead, a profit and loss account with related notes showing items such as turnover and cost of sales would have been reported along with a profit on ordinary activities before taxation.

#### 1.1 Statement of compliance

The financial statements have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (FRS 102). The financial statements have also been prepared in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the financial reporting standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP FRS 102).

#### 1.2 Currency

The financial statements have been presented in Euro (€) which is also the functional currency of the Trust.

### 2 Accounting policies

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

#### 2.1 Basis of preparation

The financial statements have been prepared under the historical cost convention, except for investments which have been measured at fair value. The financial reporting framework that has been applied in their preparation is the Trust Deed, 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”) and the Statement of Recommended Practice (Charities SORP (FRS102)) as published by the Charity Commission for England and Wales which is recognised by the UK Accounting Standards Board (ASB) as the appropriate body to issue SORPs for the charity sector in the UK and Ireland. Financial reporting in line with the Charity SORP FRS 102 is considered best practice for charities in

## NOTES TO THE FINANCIAL STATEMENTS - continued

### 2 Accounting policies - continued

#### 2.1 Basis of preparation - continued

Ireland. As noted above, the Trustees consider that the adoption of the SORP requirements is the most appropriate accounting framework to properly reflect and disclose the activities of the organisation.

#### 2.2 Going concern

The financial statements have been prepared on a going concern basis, which assumes that the Trust has adequate financial resources to continue in operational existence for at least 12 months from the date of approval of these financial statements. At 30 September 2020, the Trust had net current liabilities of €2,680,109 (2019: €2,607,437). Notwithstanding the net current liability situation, the Trust has a significant investment portfolio with a value of €6.9m (2019: €6.8m) at 30 September 2020. Although classed as Fixed Assets, management consider the investment portfolio to be sufficiently liquid so as to be available to meet any liabilities for the 12 months from the date of approval of these financial statements. In addition, management have considered the increase in net current liabilities and the continuing COVID-19 outbreak and have concluded that the going concern basis is appropriate. This conclusion is based on the following considerations.

Management have prepared a cash forecast covering the period of 12 months from signing the financial statements. If the Trust continues to pay all of the disbursements that it has anticipated in its budget, it is likely that the Trust will incur a deficit over that 12-month period. In preparing the forecast, we have based our figures on our analysis of the revenue streams that we are confident of securing given the impact of COVID-19. We have also assumed that our charitable activities and the cost of raising funds will continue as normal. Notwithstanding the uncertainties in relation to COVID 19, on the basis of the financial projections for the period 1 March 2021 through to 31 March 2022, the availability of unrestricted funds held within the Trust's Investment portfolio and the fact that, if necessary, the Trust has the discretion in relation to the timing and amounts of the charitable disbursements that are planned, the directors believe that it is appropriate to prepare the financial statements on a going concern basis.

#### 2.3 Investment income

The Trust's portfolio of investments is managed by Davy Stockbrokers and Goodbody Stockbrokers. This investment is initially measured at fair value, which is the transaction price. The investment is subsequently carried at fair value and the changes in fair value are recognised in the statement of financial activities within 'gains or losses on investments' in the period in which they arise. Dividend income from investments is recognised in the statement of financial activities as part of 'income from investments'.

#### 2.4 Income

The Trust recognises revenue when the amount of revenue can be measured reliably, and it is probable that future economic benefits will flow to the Trust. The most significant revenue generated by the Trust is from gifts and donations. Other income recognised by the Trust includes rental income, income from investments and contributions from the Dublin City University.

The Trust recognises receipts of resources from non-exchange transactions such as gifts and donations when the resources are received or are receivable on the basis that the transactions do not impose specified future performance related conditions. Gifts and donations with restrictions are recorded within the statement of financial activities on entitlement to the income. The restricted income received is held in the temporarily restricted funds until such time that the expenditure is incurred in accordance with the restrictions.

#### 2.5 Donated services and facilities

Where services are provided to the charity as a donation that would normally be purchased from our suppliers, this contribution is included in the financial statements at an estimate based on the value of the contribution to the charity.

## NOTES TO THE FINANCIAL STATEMENTS - continued

### 2 Accounting policies - continued

#### 2.6 Resources expended

Expenditure is recognised when a liability is incurred:

- Cost of raising funds are those costs incurred in attracting voluntary income including investment management fees.
- Charitable activities include expenditure associated with management and administration including central functions and have been allocated to activity cost categories on a basis consistent with the use of resources. Unless an expenditure item can be specifically applied to the cost of raising funds or charitable activities costs, the expense is allocated pro-rata to staff costs incurred on each activity.

In general, expenditure is allocated between expense categories on an invoice basis, staff costs are apportioned on the basis of actual time spent and general overhead costs are allocated between services and support costs in proportion to staff costs.

#### 2.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Land is stated at cost.

Depreciation is calculated in order to write off the cost of fixed assets over their estimated useful lives by equal annual instalments at the following rates:

|   |           |
|---|-----------|
| Fixtures, computer and office equipment | 10% - 33% |
| Building and sports facilities          | 2% - 10%  |

A full year's depreciation is charged in the year acquisition.

The carrying value of tangible fixed assets are reviewed annually for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable.

Repairs, maintenance and minor inspection costs are expensed as incurred.

#### 2.8 Taxation and deferred taxation

The Trust is exempt from corporation tax or income tax on any of its charitable activities.

#### 2.9 Employee benefits

The Trust provides a range of benefits to employees including paid holiday arrangements and access to defined contribution pension plan.

(i) *Short term benefits*

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

(ii) *Defined contribution plan*

The Trust operates a defined contribution scheme. Retirement benefit contributions in respect of the scheme for employees are charged to the profit and loss account as they become payable in accordance with the rules of the scheme. The assets are held separately from those of the Trust in an independently administered fund. Differences between the amounts charged in the statement of financial activities and payments made to the retirement benefit scheme are treated as assets or liabilities.

Once-off termination payments that are not required by contract, legislation, or other obligations or commitments, are recognised in the financial year in which they become payable.

## NOTES TO THE FINANCIAL STATEMENTS - continued

### 2 Accounting policies - continued

#### 2.10 Grants

Public authority and other grants, being contributions towards the operating expenditure are accounted for using the performance model by crediting the statement of financial activities in the period in which the services are delivered.

Grants received towards capital expenditure are credited to the statement of financial activities when received or receivable, whichever is earlier, subject to performance related conditions being met. Where these are unfulfilled performance conditions at the balance sheet date, the related grant is deferred and recognised in future periods.

Grants are recognised when there is evidence of entitlement and their receipt is probable.

#### 2.11 Provisions and contingencies

Provisions are recognised when the Trust has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Contingent liabilities, arising as a result of past events, are not recognised when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Trust's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

#### 2.12 Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the statement of financial activities unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

#### 2.13 Funds

##### (i) *Restricted funds*

Funds are classified as restricted where the funds are raised for a specific purpose or project. Generally speaking, most income is raised for a specific purpose, however, in raising the funds, the Trust advises the donors that 15% of the funds raised are used towards the costs of running the charitable organisation and that the remaining balance is used for the specific purpose of the donation. The element of funds relating to the 15% is treated and disclosed as unrestricted income in the financial statements.

##### (ii) *Designated funds*

Designated funds relate to unrestricted income funds, which have specifically been designated by board resolution for a specific future purpose or means.

##### (iii) *Unrestricted funds*

All other income funds are classified as unrestricted funds.

## NOTES TO THE FINANCIAL STATEMENTS - continued

### 2 Accounting policies - continued

#### 2.14 Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the statement of financial position date are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of financial activities.

#### 2.15 Financial instruments

(i) *Cash and cash equivalents*

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

(ii) *Financial instruments*

The Trust has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments. Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

(iii) *Financial assets*

Basic financial assets include amounts owed from related parties and are initially recognised at the transaction price. Such assets are subsequently measured at the undiscounted amount of the cash or other consideration expected to be received, net of impairment.

At the end of each reporting period, basic financial assets are assessed for objective evidence of impairment. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of financial activities.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(iv) *Financial liabilities*

Basic financial liabilities, consisting of trade and other payables and bank loans, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Financial liabilities are classified as current liabilities if payment is due within one year or less and are measured at the undiscounted amount of the cash or other consideration expected to be paid. If not, they are presented as non-current liabilities. Financial liabilities are 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.

NOTES TO THE FINANCIAL STATEMENTS - continued

2 Accounting policies - continued

2.15 Financial instruments - continued

(v) *Fair value measurement*

Fair value is the amount for which an asset could be exchanged, a liability settled, or an equity instrument granted could be exchanged, between knowledgeable, willing parties in an arm's length transaction. The fair value of financial instruments traded in active markets (such as publicly traded bonds and equities) and which are included within the Trust's investment portfolio is based on quoted market prices at the statement of financial position date.

Gains or losses arising from changes in the fair value through income are presented in the statement of financial activities within gains or losses on investments in the period in which they arise.

2.16 Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires the Trust to make significant judgements and estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2.17 Critical accounting estimates and assumptions

The Trust makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

(i) *Useful lives of tangible fixed assets*

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of Land, Buildings and Sport Facilities, and Fixtures, Computers and Office Equipment.

(ii) *Valuation of investments*

Fair value estimates are subjective in nature and involve uncertainties and matters of significant judgement and therefore cannot be determined with precision. They could be significantly affected by the changes in assumptions.

The Trust's investment portfolio is measured at fair value. Davy Stockbrokers and Goodbody Stockbrokers provide the Trust with the fair values of the portfolio on each valuation date. Estimates are made at a specific point in time, based on market conditions and information about the financial instrument.

| 3 Income from donations and legacies  | Restricted<br>funds<br>€ | Unrestricted<br>funds<br>€ | Total<br>€ |
|---------------------------------------|--------------------------|----------------------------|------------|
| <b>2020</b>                           |                          |                            |            |
| Donations and legacies for the period | 1,453,915                | 228,707                    | 1,682,622  |
| <b>2019</b>                           |                          |                            |            |
| Donations and legacies for the year   | 3,270,926                | 408,779                    | 3,679,705  |

NOTES TO THE FINANCIAL STATEMENTS - continued

| <b>4 Income from investments</b>           | Restricted<br>funds<br>€   | Unrestricted<br>funds<br>€ | Total<br>2020<br>€                 | Total<br>2019<br>€                 |
|--|----------------------------|----------------------------|------------------------------------|------------------------------------|
| Income from investments                    | 5,335                      | 33,830                     | 39,165                             | 57,459                             |
| <b>5 Other income</b>                      | Restricted<br>funds<br>€   | Unrestricted<br>funds<br>€ | Total<br>2020<br>€                 | Total<br>2019<br>€                 |
| Rental income                              | 97,500                     | -                          | 97,500                             | 130,000                            |
| Rental income from Dublin City University  | 131,250                    | -                          | 131,250                            | 175,000                            |
| Contribution from Dublin City University   | 110,641                    | 66,450                     | 177,091                            | 148,841                            |
|  | <u>339,391</u>             | <u>66,450</u>              | <u>405,841</u>                     | <u>453,841</u>                     |
| <b>6 Cost of raising funds</b>             |                            |                            | Unrestricted<br>funds<br>2020<br>€ | Unrestricted<br>funds<br>2019<br>€ |
| Salaries                                   |                            |                            | 528,869                            | 519,507                            |
| Marketing and promotion                    |                            |                            | 102,594                            | 246,324                            |
| Travel                                     |                            |                            | 5,627                              | 37,290                             |
| Administration                             |                            |                            | 21,058                             | 25,962                             |
| Investment fees                            |                            |                            | 28,765                             | 48,036                             |
| Support and governance (note 8)            |                            |                            | 22,640                             | 26,853                             |
|  |                            |                            | <u>709,553</u>                     | <u>903,972</u>                     |
| <b>7 Analysis of charitable activities</b> | Unrestricted<br>funds<br>€ | Restricted<br>funds<br>€   | Total<br>2020<br>€                 | Total<br>2019<br>€                 |
| <b>Charitable activities</b>               |                            |                            |                                    |                                    |
| Scholarships/DCU                           | -                          | 474,995                    | 474,995                            | 869,259                            |
| Human capital initiatives/DCU              | -                          | 678,799                    | 678,799                            | 2,008,005                          |
| Student initiatives/DCU                    | -                          | -                          | -                                  | 57,437                             |
| Other/DCU                                  | -                          | -                          | -                                  | 66,342                             |
| Administration                             | 151,924                    | -                          | 151,924                            | 283,262                            |
| Depreciation                               | 39,903                     | -                          | 39,903                             | 53,204                             |
| Support and governance (note 8)            | 174,628                    | -                          | 174,628                            | 295,494                            |
|  | <u>366,455</u>             | <u>1,153,794</u>           | <u>1,520,249</u>                   | <u>3,633,003</u>                   |

NOTES TO THE FINANCIAL STATEMENTS - continued

| 8 Support and governance | Cost of<br>raising funds<br>€ | Charitable<br>activities<br>€ | 2020<br>Total<br>€ | 2019<br>Total<br>€ |
|--------------------------|-------------------------------|-------------------------------|--------------------|--------------------|
| HR salaries              | -                             | 54,833                        | 54,833             | 109,453            |
| HR other                 | 18,728                        | 9,224                         | 27,952             | 47,591             |
| <b>HR total</b>          | <u>18,728</u>                 | <u>64,057</u>                 | <u>82,785</u>      | <u>157,044</u>     |
| Finance salaries         | -                             | 40,345                        | 40,345             | 88,269             |
| Finance other            | -                             | 5,373                         | 5,373              | 6,394              |
| <b>Finance total</b>     | <u>-</u>                      | <u>45,718</u>                 | <u>45,718</u>      | <u>94,662</u>      |
| IT salaries              | -                             | -                             | -                  | -                  |
| IT other                 | 3,912                         | 1,927                         | 5,839              | 5,062              |
| <b>IT total</b>          | <u>3,912</u>                  | <u>1,927</u>                  | <u>5,839</u>       | <u>5,063</u>       |
| Audit fees               | -                             | 31,283                        | 31,283             | 17,527             |
| Legal fees               | -                             | 1,279                         | 1,279              | 7,645              |
| Governance salaries      | -                             | 30,364                        | 30,364             | 40,406             |
| <b>Governance total</b>  | <u>-</u>                      | <u>62,926</u>                 | <u>62,926</u>      | <u>65,578</u>      |
|                          | <u>22,640</u>                 | <u>174,628</u>                | <u>197,268</u>     | <u>322,347</u>     |

Support costs have been allocated directly, based on costs incurred for certain expenses and indirectly, pro-rata to time spent for salary related costs.

| 9 Staff costs                      | 2020<br>€      | 2019<br>€        |
|------------------------------------|----------------|------------------|
| Wages, salaries and other benefits | 687,022        | 875,442          |
| Social welfare costs               | 75,102         | 92,133           |
| Pension                            | 32,380         | 41,067           |
|                                    | <u>794,504</u> | <u>1,008,642</u> |

All the amounts stated above were treated as an expense of the Trust in the financial year. No amount was capitalised into assets.

|                               | Cost of<br>raising funds<br>€ | Charitable<br>activities<br>€ | 2020<br>Total<br>€ | 2019<br>Total<br>€ |
|-------------------------------|-------------------------------|-------------------------------|--------------------|--------------------|
| <b>Salary costs</b>           |                               |                               |                    |                    |
| HR                            | -                             | 54,832                        | 54,832             | 109,453            |
| Finance total                 | -                             | 40,345                        | 40,345             | 88,269             |
| IT                            | -                             | -                             | -                  | -                  |
| Governance                    | -                             | 30,364                        | 30,364             | 40,406             |
| Management and administration | -                             | 140,094                       | 140,094            | 261,008            |
| Fundraising                   | 528,869                       | -                             | 528,869            | 509,506            |
|                               | <u>528,869</u>                | <u>265,635</u>                | <u>794,504</u>     | <u>1,008,642</u>   |

NOTES TO THE FINANCIAL STATEMENTS - continued

9 Staff costs – continued

2020  
Number

2019  
Number

The average number of persons employed during the year was:

|                          |           |           |
|--------------------------|-----------|-----------|
| Average employee numbers | <u>16</u> | <u>15</u> |
|--------------------------|-----------|-----------|

**Key management compensation**

The total remuneration for key management personnel for the year totalled €336,781 (2019: €397,764).

2020  
€

2019  
€

**The remuneration of higher paid employees**

The number of employees whose earnings (excluding pension but including benefit-in-kind) fell into the bands below were:

|                    |          |          |
|--------------------|----------|----------|
| €70,001 - €80,000  | -        | 3        |
| €80,001 - €90,000  | 1        | 1        |
| €90,001 - €100,000 | 1        | 1        |
| 130,001 - €140,000 | -        | -        |
|                    | <u>2</u> | <u>5</u> |

Employer pension contributions made to the defined contribution scheme for the nine employees who availed of the scheme amounted to €32,380 during the year.

Remuneration includes salary, redundancy costs and benefit in kind on motor vehicles, but does not include pension scheme contributions.

Included in the remuneration figures used to complete this table is benefit in kind totalling €nil.

None of the directors or the trustee received any remuneration in the year. A member of the finance team is also the company secretary and is therefore considered to be a trustee. He does not receive any remuneration for his role as company secretary. Amounts reimbursed to the directors or the trustee or paid on behalf of the directors or the trustee in relation to travel and subsistence costs while undertaking their responsibilities amounted to €nil (2019: €nil).

10 Fixed assets

|  | Land,<br>buildings and<br>sport<br>facilities<br>€ | Fixtures<br>computers<br>and office<br>equipment<br>€ | Total<br>€ |
|--|--|---|------------|
|--|--|---|------------|

**Cost**

|                      |                   |                |                   |
|----------------------|-------------------|----------------|-------------------|
| At 31 December 2019  | 10,817,136        | 106,164        | 10,923,300        |
| Additions            | -                 | -              | -                 |
| At 30 September 2020 | <u>10,817,136</u> | <u>106,164</u> | <u>10,923,300</u> |

**Accumulated depreciation**

|                      |                  |                |                  |
|----------------------|------------------|----------------|------------------|
| At 31 December 2019  | 1,049,630        | 106,164        | 1,155,794        |
| Charge for year      | 39,904           | -              | 39,904           |
| At 30 September 2020 | <u>1,089,534</u> | <u>106,164</u> | <u>1,195,698</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued

| 10 Fixed assets - continued | Land,<br>buildings and<br>sport<br>facilities<br>€ | Fixtures<br>computers<br>and office<br>equipment<br>€ | Total<br><br>€ |
|-----------------------------|--|---|----------------|
| <b>Net book values</b>      |  |   |                |
| At 30 September 2020        | 9,727,602  | -   | 9,727,602      |
| At 31 December 2019         | 9,767,506  |   | 9,767,506      |

| 11 Financial assets and financial liabilities | 2020<br>€ | 2019<br>€ |
|---|-----------|-----------|
|---|-----------|-----------|

The carrying value of the Trust's financial assets and financial liabilities are summarised by category below:

**Financial assets**

Measured at fair value through the statement of income

|                        |           |           |
|------------------------|-----------|-----------|
| - investment portfolio | 6,893,734 | 6,797,057 |
|------------------------|-----------|-----------|

Measured at undiscounted amount receivable

|                                    |        |       |
|------------------------------------|--------|-------|
| - amounts due from related parties | 18,045 | 3,692 |
|------------------------------------|--------|-------|

**Financial liabilities**

Measured at undiscounted amounts payable

|                                  |                  |                  |
|----------------------------------|------------------|------------------|
| - amounts due to related parties | 4,314,905        | 3,525,699        |
| - accruals and deferred income   | 59,044           | 52,726           |
|                                  | <u>4,373,949</u> | <u>3,578,425</u> |

The Trust's income, gains and losses in respect to financial assets at fair value are summarised below:

|  |        |         |
|--|--------|---------|
| Income from investments – dividend income                  | 39,165 | 57,459  |
| gains(losses) on investments – net realised and unrealised | 86,277 | 844,463 |

NOTES TO THE FINANCIAL STATEMENTS - continued

| <b>12 Financial assets</b>                                       | 2020<br>€        | 2019<br>€        |
|--|------------------|------------------|
| <b>Investments at fair value through the statement of income</b> |                  |                  |
| Bonds  | 2,456,137        | 2,239,613        |
| Equities   | 2,786,882        | 2,879,999        |
| Commodities  | 101,819          | 49,162           |
| Property   | 377,948          | 325,765          |
| Multi asset strategies, absolute return and structured products  | 808,807          | 559,582          |
| Fair value of investment assets                                  | <u>6,531,593</u> | <u>6,054,121</u> |
| Cash   | 362,141          | 742,936          |
| Total  | <u>6,893,734</u> | <u>6,797,057</u> |
| Reconciliation of movements in investments during the year:      |                  |                  |
| Fair value of investments assets at beginning of year            | 6,797,057        | 5,943,171        |
| Income earned  | 39,165           | 57,459           |
| Management expenses  | (28,765)         | (48,036)         |
| Net gains on investment  | 86,277           | 844,463          |
| Fair value of investments assets at end of the period            | <u>6,893,734</u> | <u>6,797,057</u> |
| <br>   |                  |                  |
| <b>13 Debtors</b>  | 2020<br>€        | 2019<br>€        |
| Amounts due from Irish American Endowment for Education          | 3,790            | 3,692            |
| Prepayments  | 14,255           | -                |
|  | <u>18,045</u>    | <u>3,692</u>     |
| <br>   |                  |                  |
| <b>14 Creditors</b>  | 2020<br>€        | 2019<br>€        |
| Amounts owed to Dublin City University                           | 4,314,905        | 3,525,699        |
| Accruals and deferred income                                     | 59,044           | 52,726           |
|  | <u>4,373,949</u> | <u>3,578,425</u> |
| <br>   |                  |                  |
|  | 2020<br>€        | 2019<br>€        |
| <b>Movement in balance with Dublin City University</b>           |                  |                  |
| Balance at 1 January   | 3,525,699        | 3,440,315        |
| Funds distributed on behalf of the Trust                         | 1,061,254        | 2,989,701        |
| Expenses paid on behalf of the Trust                             | 994,895          | 1,349,864        |
| Payments to Dublin City University                               | (1,025,051)      | (3,931,658)      |
| Contributions from Dublin City University                        | (110,642)        | (147,523)        |
| Rental income from Dublin City University                        | (131,250)        | (175,000)        |
| Gift income  | -                | -                |
| Balance at 30 September  | <u>4,314,905</u> | <u>3,525,699</u> |

## NOTES TO THE FINANCIAL STATEMENTS - continued

### 15 Related parties

The Trust has identified Dublin City University as a related party by virtue of benefit and control which exists between both organisations. The relationship is demonstrated through the existence of the following factors:

Dublin City University and Dublin City University Educational Trust have concurrent purposes.

Transactions with related parties are disclosed in notes 13 and 14.

A number of donations have been received from trustees. These donations are without conditions that would or might, require the charity to alter significantly the nature of its existing activities if it were to accept the donation. The total amount of donations received without conditions was €92,137.

### 16 Subsequent events

There are no subsequent events that require disclosure.

### 17 Approval of financial statements

The Dublin City University Educational Trust Company approved these financial statements on 10<sup>th</sup> March 2021.