EduCampus

EduCampus Services DAC

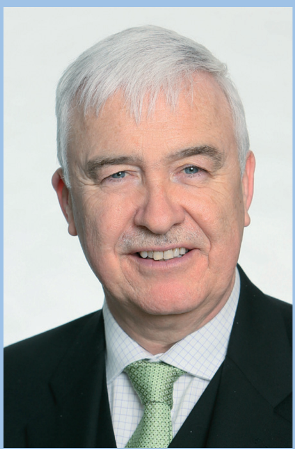
Directors' Report & Financial Statements

Financial year ended 31 December

2018

Chairman’s Foreword

The primary focus is on consistency of service and performance levels, together with a strategy of dialogue, continuous development, and service improvement, with client engagement a key area of focus for the organisation.



We are witnessing a time of rapid and extensive change in the landscape of higher education which requires a strong policy formulation in order to meet new demands and challenges.

Key to these ongoing developments is shared services, and I am happy to report that during 2018 EduCampus continued to deliver on its mission to provide quality IT and MIS shared services to the higher education sector, while also delivering on its commitment to provide value for money. EduCampus is continuing to work with Government towards extension of this service.

Strong governance remains of critical importance to the organisation. There were six board meetings held during the year, with the board comprising key stakeholders from across the sector, with representation from the Institutes of Technology and Technological Universities, the Universities, the Higher Education Authority, and HEAnet. In addition, there are four subcommittees which provide support and guidance to the board in its decision making. These committees are shared with HEAnet, and EduCampus continues to leverage the resources and expertise of HEAnet as it develops its plans to address the existing and growing needs of the higher education sector.

The Chief Executive, Paddy Naughton, together with the strong team of experienced individuals he has established, have continued to build relations with stakeholders across the sector while working in close collaboration with the client community.

The primary focus is on consistency of service and performance levels, together with a strategy of dialogue, continuous development, and service improvement, with client engagement a key area of focus for the organisation. EduCampus is continuing the programme of work to improve the quality of the existing service offering, by refreshing the application layer and underlying infrastructure of the MIS systems currently deployed.

In accordance with the 2016 Code of Practice for the Governance of State Bodies, I wish to report to you on the company’s compliance with the requirements as set out in the code, and specifically on the following matters relating to the reporting period January to December 2018:

- There were no commercially significant developments. No new subsidiaries or joint-ventures were established, and there were no share acquisitions or disposals;
- During 2018, the HEAnet Board commissioned an independent HEAnet Group Governance Review to consider the governance arrangements of HEAnet and EduCampus. This is detailed in the Governance section of this annual report, pages 15-16.
- There were no off-balance sheet financial transactions;

- I affirm that all appropriate procedures for financial reporting, internal audit, travel, procurement and asset disposals are being carried out;
- I acknowledge our responsibility for ensuring an effective system of internal financial control is in place. A statement on the system of internal financial controls is included with the audited annual report, pages 23-24;
- EduCampus has adopted the HEAnet code of business conduct for directors. Current employee code of business conduct is outlined in the EduCampus Employee Handbook. During 2019, a specific code of conduct for EduCampus employees will be put in place;
- EduCampus is a private company and none of its directly employed staff are public or civil servants. There are a number of staff working in EduCampus that are on secondment from TU Dublin. Pay and other compensation arrangements for these staff are subject to contracts of employment between the staff and TU Dublin. Salary and compensation decisions are made using a formalised internal performance management system against benchmarked salary bands. As such, EduCampus does not strictly follow Government policy on the pay of the CEO and other employees;
- Board directors are not paid a salary or remuneration for their service. Expenses payments to directors and staff are in accordance with rates sanctioned by the Department;
- There are no post-balance sheet events to report;
- EduCampus follows the principles of the Public Spending Code, as they are interpreted and agreed with each of its funding organisations;
- EduCampus is compliant with Government travel policy in all respects;
- EduCampus has put in place procedures for the making of protected disclosures in accordance with S. 21 (1) of the Protected Disclosures Act 2014. An annual report (for the twelve months ending December 2017) as provided for under S. 22 (1) of the Act was not made by June 30th, 2018. The annual report for 2017 and 2018 was published in March 2019;
- EduCampus has complied with its obligations under tax law;
- EduCampus is not involved in any legal disputes with any other state bodies,
- In collaboration with HEAnet, EduCampus is taking steps to ensure compliance with the 2016 Code of Practice;
- EduCampus has policies and procedures in place to ensure that it is fully compliant with public procurement requirements. However, instances of non-competitive procurement, if any, were not tracked or reported in 2018.

I would like to acknowledge the strong leadership and work of the EduCampus CEO, Paddy Naughton, along with the excellent work of the executive and staff in achieving the successes of the organisation to date. I would also like to pay tribute to the work as well as the commitment and time given by my colleagues, the members of the EduCampus board. I look forward to challenging and exciting times ahead while EduCampus continues to grow as an organisation providing MIS services crucial to the higher education arena, while continuing to deliver value for money for the sector.

Dr Joseph Ryan
Chairman, EduCampus Services

A Message from the Chief Executive

Client engagement remains a key area of focus for the organisation which is committed to excellence in service delivery and to working in collaboration with clients and stakeholders to deliver a service that is responsive and based on customer needs.

In 2018, EduCampus has continued to deliver on its vision to implement, maintain and support business critical systems for our current client community and to develop quality solutions for an expanded client base.

The core values of EduCampus remain those of innovation, collaboration and transparency. EduCampus also remains committed to quality in the design, implementation and operation of the environments, as it does to our aim to deliver value for money through efficiencies at multiple levels, including economies of scale, aggregated demand, and synergies with our parent company HEAnet.

Our engagement model is designed to build relationships with clients, to earn the trust of our client community and to facilitate change. Client engagement remains a key area of focus for the organisation which is committed to excellence in service delivery and to working in collaboration with clients and stakeholders to deliver a service that is responsive and based on customer needs.

EduCampus strives to ensure that its shared services provision is responsive to the needs of our client communities, while adding to the positive experience of learners. In 2018 EduCampus continued its work to stabilise the MIS applications taken over in 2015, with Cloud based enterprise systems now in place for four of the five key applications provided by EduCampus.

I would like to take this opportunity to thank my team at EduCampus for their hard work. I would also like to thank the EduCampus Board for their time and dedication.

EduCampus can only be effective with the support of the Higher Education Authority, the Department of Education and Skills, our current client base, the Institutes of Technology, Technological Universities and their representative body, THEA. We are grateful for the support we continue to receive from all of these.

Finally, I would like to express my gratitude to all stakeholders, and I look forward to working together into the future to continue to develop our services and to achieve our collective objectives.

Mr Patrick Naughton
Chief Executive, EduCampus Services

Board of Guardians and Directors and other information

Board of directors

- Dr Joseph Ryan (Chairman)
- Ms Barbara McConalogue
- Ms Mary Kerr
- Mr Thomas Stone
- Ms Sheena Duffy
- Professor Mike Murphy
- Mr Tadhg Leane
- Ms Kerrie Power
- Professor Anne Scott

Secretary and registered office

Ms Rhian Williams
C/O HEAnet CLG
5 George's Dock
IFSC
Dublin 1
Ireland

Company number

Registered in Ireland
No. 560681

CHY number

21490

Registered Charity Number

20105242

Independent Auditors

PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
One Spencer Dock
North Wall Quay
Dublin 1
Ireland

Solicitors

McEneaney Tighe
73 Lower Leeson Street
Dublin 2
Ireland

Bankers

Allied Irish Bank
1-4 Lower Baggot Street
Dublin 2
Ireland

Trustees'/Directors' Report

OBJECTIVES AND ACTIVITIES

EduCampus Services was incorporated in April 2015 as a subsidiary of HEAnet. The company is a non-profit organisation and has been awarded charitable status by the Revenue Commissioners. It is governed by a board, comprising members from the Institutes of Technology, Technological Universities, the Universities, the Higher Education Authority, and parent company, HEAnet CLG.

EduCampus was established to provide quality IT and Management Information Services (MIS) shared services to the education sector, including the provision of infrastructure and hosting of these systems. The Educampus managed MIS portfolio which consists of five key business applications as outlined below, are designed to support the business system requirements of each of the individual institutions. These applications are the pillar systems required by any higher education institute in order to operate their business.

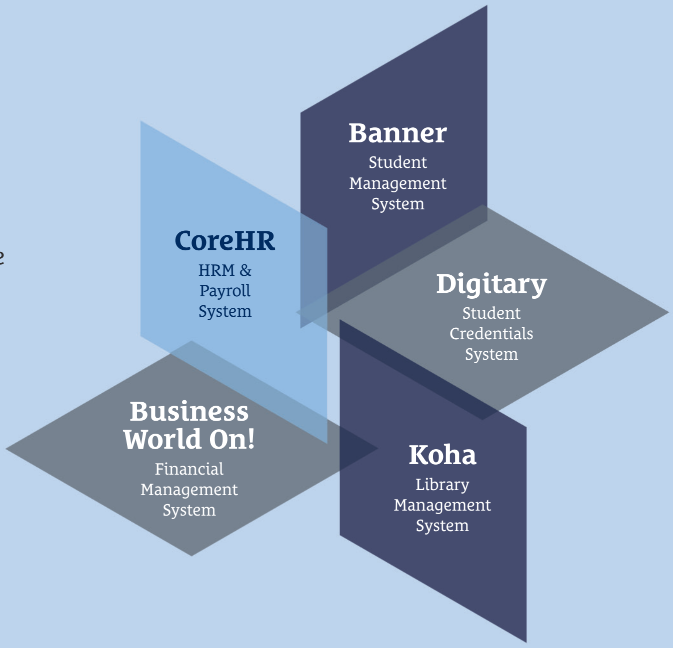
EduCampus' mission is to deliver quality and value for money through efficiencies at multiple levels, including economies of scale, aggregated demand, and synergies with our parent company, HEAnet.

Our objectives are:

- To provide new, imaginative and flexible approaches to shared services in IT to the higher education sector;
- To implement, maintain and support business critical systems for the current client community, the Institutes of Technology, Technological Universities;
- To develop quality solutions for an expanded client base; and
- To build strong relationships with clients through our engagement model which is designed to earn the trust of our client community and to facilitate change.

ACTIVITIES

EduCampus provides business critical systems to our clients in the HE sector. Our current portfolio of applications comprises Student Management, HRM & Payroll, Finance, Library and Student Credentials.



The hosting and managed services currently provided by Educampus is as follows:

Application	Managed Service Provider	Hosted
HRM and Payroll	CoreHR	BT
Student Management System	DXC & Ellucian	DXC
Financial Management System*	Unit4	Azure (Cloud)
Library Management System	Interleaf	AWS (Cloud)
Student Credentials	Digitary	AWS (Cloud)

Below are further examples of EduCampus' ongoing collaboration with its clients in terms of solution development:

Student Credentials System (SCS)

The Digitary project to implement the SCS was, for some Institutes, an upgrade to an older version, while for others it was a new implementation. The latest version of the system is delivered in a Software as a Solution (SaaS) model with managed and support services provided by Digitary, whereas the original version was hosted on EduCampus infrastructure and managed by DXC. The SCS is used by almost all our clients (IoTs) for the issuance of qualification details, transcripts, Educational Diploma Supplements (EDS) and other official academic documents to their students and graduates.

The SCS takes its information and data from an institute's student information and records management system and makes it available to the student or graduate via a secure online portal which is available 24/7.

In turn, the student/graduate can then share their digitally certified records online with employers, other education providers, governments, and other third parties. The SCS provides the facility for EduCampus' clients to drop an existing PDF document into the SCS for secure access by a student or graduate, thus eliminating the need to retain or post paper documents.

From a student or graduate perspective, this makes it easier for employers and others to verify their backgrounds and academic achievements, while having secure online access to their documents at any time enhances the overall student experience.

For the Institute, the SCS helps streamline operations and reduce costs by facilitating the issue of document(s) that can be accessed as required and do not ever need to be re-issued.

HR and Payroll Ssytem

In June 2018 EduCampus and their supplier, CoreHR, recommenced and brought to completion a shared project for CIT and ITT. The project had originally commenced in CIT in 2017, but it was not completed at that time due to the planned merger of the two institutes to form the MTU and the concerns expressed by the MTU Project Leader that the project might result in CIT & ITT ending up with unaligned systems. The aim of the project was to implement new features on the HR and Payroll system used by their clients. The new features enable clients' employees to view and maintain their key HR and Payroll data, as well as to engage in a number of self-service processes such as leave requests and expense claim submissions. A key goal for CIT and ITT was to ensure alignment of their systems, with a particular challenge being to establish a standardised workflow for the approval by managers of employees' leave requests and expense claim submissions.

EduCampus, recognising it was crucial for both clients to have clarity and consistency in the way they configured their systems, identified the need to improve the project tools used to gather requirements. There was also a need for significant face-to-face discussions and support, in order to reach a common understanding and a uniform setup between the institutes. To this end, EduCampus worked on creating a detailed information gathering template to facilitate requirements capture and alignment. A means was also devised by EduCampus of diagrammatically simplifying the setup of system roles, hierarchy of roles and associated system workflow, which greatly helped communicate a complex area of the HR & Payroll system.

In the course of the project, EduCampus staff travelled to work onsite with CIT and ITT in order to analyse and document the system configurations, organisational structures and process workflows. In this work they were able to draw on their experience with other clients, to ensure that sectoral best practice processes were considered during decisions on system configuration. As the project progressed, they continued to provide onsite support, sharing knowledge and lessons learned, all of which directly assisted both test teams in the execution of their tests. Both Institutes completed their projects successfully in November 2018.

General Data Protection Regulations (GDPR)

EduCampus recognises that data governance is an essential requirement in today's fast-moving and highly competitive business environment, and during 2018 incorporated the revised GDPR legislation into their contracts and Client Service Agreements. As a consequence, EduCampus garnered considerable knowledge of the new Data Governance requirements and saw this as an opportunity to share this knowledge.

Data governance and data management are key to much of the operational and management activity that takes place in higher education institutions, given the various requirements they have to collect, store and process significant volumes of structured and unstructured data, while at the same time adhering to various regulatory and compliance requirements, EduCampus recognises that there is a need to ensure that formal governance and management policies and strategies are put in place to support items such as GDPR compliance, systems integration, BI and analytics and operational reporting among other things.

To outline how this can best be achieved, EduCampus hosted a seminar in November 2018 with the aim of sharing their acquired knowledge with their clients.

The seminar - *Enabling Transformation with GDPR Compliance* included the following topics:

- Introduction to Data Governance
- Principles of the GDPR
- GDPR and the Institutes
- Data Governance - the missing link in GDPR
- Data Management Association (DAMA) Framework and Methodology
- Data Management Maturity Assessment (breakdown session)
- Typical operation models
- Data Governance for the Institutes

As a follow up to the seminar, EduCampus conducted a survey in order to collect feedback from attendees and this information has been collated with a view to the hosting of further similar events in the future.

Technological Universities

The National Strategy for Higher Education to 2030 made recommendations for the creation of technological universities and the process and criteria for designation as a technological university were set out in 2012. EduCampus has a key role in supporting the Institutes of Technology as they transition to Technological Universities (TU).

The Technological Universities Bill was published in December 2015 and its main purpose was to give effect to the recommendations set out in the National Strategy with regard to the Institute of Technology sector, including the development of a new technological university model. In addition, the Bill provided for a number of important reforms to the governance and operation of the existing Institutes of Technology. EduCampus has enhanced its project governance to incorporate the governance of projects required to plan and deliver necessary systems changes, to ensure the successful operation of the Technological Universities during and post transition.

The creation of a Technological University requires the consolidation of at least two institutions. Each consortium applying for designation will be required to meet the designated criteria and achieve high standards across a range of areas, before being designated as Technological Universities. These include standards relating to the qualifications of staff, the quality of research output, the proportion of students engaged in lifelong learning, amongst other areas.

There are currently three consortia engaged with the process to become designated as Technological Universities:

- **Technological University for the South-East (TUSE),** consisting of Waterford Institute of Technology and Institute of Technology Carlow
- **Munster Technological University (MTU),** consisting of Cork Institute of Technology and Institute of Technology Tralee
- **Connacht Ulster Alliance (CUA),** consisting of Galway-Mayo Institute of Technology, Institute of Technology Sligo, and Letterkenny Institute of Technology.

The enactment of the Technological University legalisation in March 2018, (Technological Universities Act, 2018) sets out a process whereby consortia may now submit an application for TU designation. The format and contents of an application is a matter for the applicant institutes seeking an order under the Technological Universities Act 2018, in accordance with the process set out in the Act. Each of the consortia actively engaged in the process to achieve designation as Technological Universities are taking a variety of approaches to delivering the organisational development required to operate as a Technological University evolving from the merger of two or more Institutes of Technology.

TUDublin achieved designation as a Technological University during 2018 and plan commencing operations as a Technological University on 1st January 2019. TUDublin is comprised of Institutes of Technology which were formerly Dublin Institute of Technology, Institute of Technology Tallaght and Institute of Technology Blanchardstown.

CORE COMPETENCIES

The core competencies established within EduCampus to deploy our portfolio of MIS applications are Service Management and Solutions Development.

Service Management

The key competencies of EduCampus in delivering services to the client community can be summarised as follows:

- Service Delivery Management
- Service Liaison
- Continuous Improvement

Service Management Functions

1. **Service Delivery Management -** EduCampus Service Delivery Team are responsible for managing the end-to-end service for each application, building relationships with the user community, and managing relationships with suppliers. They monitor overall supplier performance against availability KPIs, case SLAs and governance, ensuring adherence to the Service Level Agreement.
2. **Service Liaison -** EduCampus Service Liaison Officers are product owners who build relationships with the user community in relation to the individual applications. Management of the applications includes monitoring use of functionality and representing the user community in the resolution of issues. The Team engage directly with clients and adopt a collaborative approach to finding solutions that best meet the requirements of the sector. They facilitate user group meetings that provide an opportunity for ongoing knowledge sharing.
3. **Continuous Improvement -** EduCampus understands that the success of a shared service operation is dependent on consistency of service and performance levels, together with a strategy of dialogue, continuous development, and improvement. This is a key function of EduCampus, and we carry out analysis of the requirements of our clients on a continuous basis in order to implement changes to enhance functionality.

Solution Development

EduCampus has established a Solutions Development centre of excellence with key responsibilities being:

- Establishment of Sector wide Procurement frameworks and contracts
- Adherence to procurement and project management best practice
- A Project Management Office with responsibility for:
  - Effective Project monitoring and reporting
  - Adoption of Project Management Methodology standards and tools
  - Quality assurance
  - Stakeholder communication and knowledge sharing
  - Change Management

Successful delivery of the Projects undertaken by the Solution Development function within EduCampus can only be achieved by close collaboration with our Client Community.

EduCampus has established a project governance model that provides programme and project governance oversight in relation to system implementations and upgrades, and management and service delivery projects associated with data and information services that support the daily business requirements of EduCampus client organisations.

The following groups have been established within the EduCampus' Programme and Project Governance model:

The **'Programme Steering Group (PSG)'** is:

"An advisory group reporting to the Executive of EduCampus Services on the governance, strategic direction and management of the portfolio of projects undertaken by EduCampus on behalf of its clients."

A **'Project Working Group (PWG)'** is:

"A project specific advisory group reporting to the Programme Steering Group (PSG) on the management of key individual projects undertaken by EduCampus on behalf of its clients. Each Project Working Group will be required to develop a Project Charter (Terms of Reference) which must be reviewed and agreed by the Programme Steering Group."

An **'Application User Group (AUG)'** is:

"An application/system specific advisory group reporting to the PWG on the operational requirements and project outcomes associated with specific implementations of a system/application. The Terms of Reference for the AUG may be set by the group itself, but minutes and details of meeting must be available to the PWG and PSG as required."

ACHIEVEMENTS AND PERFORMANCE

During 2018, among EduCampus' achievements was the consolidation of its position as a key provider of MIS services to the Institutes of Technology/Technological Universities. The key competencies of Service Management and Solution Development were also fully established in the course of 2018.

Achievements in Service Management

In 2018, EduCampus achieved their stated objectives in relation to Service Delivery Management, building strong relationships with the user community and managing end-to-end relationships with suppliers, whilst also monitoring overall supplier performance against availability KPIs, case SLAs and governance in addition to, at all times, ensuring adherence to the service level agreement.

In the interests of continuous improvement, EduCampus carried out continuous analysis of client requirements, enabling them to implement change in order to enhance functionality. In terms of service liaison, EduCampus continued to monitor individual applications, including the monitoring of use of functionality, and facilitating user group meetings ensuring ongoing knowledge sharing.

The following are examples of where EduCampus led initiatives to support operations in their client institutions:

Establishment of the Banner Change Management Group

EduCampus established the Banner Change Management Group (BCMG) whose mission is to respond to Institutes' changing business requirements with respect to the Student Administration System - Banner, while maximizing value for the sector.

The goal of Banner Change Management Group (BCMG) is to assess, prioritise, evaluate, seek additional information, and ultimately determine whether a change to the Banner application is implemented, based on risk and value to the sector.

The working group membership comprises of Banner Subject matter experts (SME's) from the sector, with practical knowledge and interest in one or more key Banner process areas. This hands-on knowledge will help inform the group and greatly improve the quality of decisions made. These members are made up of, Institute representatives, EduCampus Banner SMEs, DXC Banner Support Functional Analyst.

The group started with a backlog of 50 CRs, using the BCMG process, all of which were actioned and closed out under the following status:

- 27 Approved (developed and released)
- 19 Rejected
- 3 Withdrawn
- 1 logged with Ellucian as an IDEA

The benefits of some of these changes to the sector are outlined below.

Student Universal Support Ireland (SUSI)

The SUSI file load process was a very time-consuming manual process for all the Institutes. The change implemented by the group, developed automated processes to compare weekly files from SUSI with registration data in Banner, create and update Banner records and return updated files to SUSI. This change has been a great success for both students and staff and SUSI have also benefited from the new process, as files are returned with accurate information from the student database and in a timely manner. This has reduced the queries going back and forth between SUSI and EduCampus.

Provision of online receipts

Previously receipts were issued to students on request by running a process in Banner. The provision of a receipt available to all students via self-service Banner is of benefit to administrative staff as it cuts down on work required to manually run the process to issue a receipt. It also provides additional on-line functionality to students.

Achievements in Solutions Development

During 2018, Educampus continued its work to stabilise the MIS applications taken over in 2015 with Cloud based enterprise systems now in place for:

- HRM and Payroll - CoreHR
- Student Credentials - Digitary
- Library Management - Koha and associated products
- Procurement phase has been completed for the Finance system and planning of procurement phase is in progress in advance of its launch in 2019. The Pilot is underway in WIT and due to go live in February 2019

Student Records Management System

Requirements approved by the Council of Registrars in August and currently awaiting approval of capital funding in advance of launching the procurement phase.

Other achievements

In February 2018, EduCampus agreed to provide an upgrade of the HRM & Payroll system for TCD under a Client Service Agreement signed by the Department of Education & Skills on behalf of Education Shared Business Services (ESBS). The project to upgrade the TCD application, which involved a move to a cloud hosted version of the CoreHR system, was completed on schedule in September 2018 and the system is now being managed as part of the Service Delivery operations of EduCampus.

Targets for next year

EduCampus has continued to build on the momentum established under the MIS Refresh programme and has now embarked on a programme to modernise the largest systems in the portfolio, the Student Record Management System and associated infrastructure. It is intended that this work will be undertaken with significant support from key representatives of our client community, who have engaged with EduCampus to define the requirements of a modern Student Record Management System. This will ensure the solution selected will meet with our clients' objectives of delivering excellence in teaching and research.

Having modernised four of our applications, these may now be availed of by the wider HE Sector and will act as the catalyst in supporting EduCampus in seeking to further expand our client base.

PLANS FOR FUTURE PERIODS

Having delivered on our commitments in 2018, EduCampus plans to:

- Engage with stakeholders to develop a strategic plan from 2019-2021
- Continue our commitment to quality in the design, implementation and operation of the environments and services we provide;
- Continue to implement, maintain and support business critical systems for our current client community;
- Expand our client community and develop quality solutions for that expanded client base;

In terms of Solutions Development, EduCampus will continue its work in progress to close out the remaining applications:

- Procurement and implementation phases of the Student Records Management System (SRMS)
- Procurement phase for Integration and reporting software as well as continuing to develop quality solutions for an expanded client base.
- Continue to engage with the development of the Technological Universities and to provide support via the TU-EduCampus forum.
- TU-Dublin Campus have agreed to avail of the services provided by EduCampus with a proposed on-boarding timetable as follows:

- Credentials System	01/01/2019
- Financial management system	01/07/2019
- HRM & Payroll system	01/08/2019
- Student System	01/07/2020
- Library Management System	01/01/2022

Principal risks and uncertainties

The directors consider the major risks facing EduCampus, and risk management is a standing agenda item at meetings of the Audit Committee throughout the year. There is a corporate risk register that identifies and classifies risks into one of seven pre-defined enterprise-wide risk categories. Risks are scored according to likelihood of occurrence and potential impact, and this tool is used to identify gaps and design an appropriate control environment.

The board defined risk categories are:

- Funding
- Business Continuity
- Reputational
- Value for Money
- Orientation to market
- Organisation and People
- Governance and Compliance

EduCampus recognises the following specific major risks within the above categories:

- Disruptions as a consequence of the establishment of the Technological Universities are recognised under the categories of reputational and funding;
- Brexit and its implications;
- Ongoing compliance with Data Protection Regulation (GDPR) is recognised under the governance and compliance category;
- Under business continuity, risks are recognised under cyber security, and cyber-attack preparedness;
- Increased demand for services from the wider HE sectors is a risk that is recognised under orientation to market.

FINANCIAL REVIEW

In line with the continuing MIS refresh project, the level of business activity increased in 2018 compared to 2017. The turnover for the year ending 31 December 2018 was €9,383,470 (2017: €9,298,088).

The only equity held by the company amounted to €100 (2017: €100) which represents shares issued on the date of its incorporation. There is no surplus or deficit recognised in the financial statements in 2018 (2017: Nil) because all grant funding received is booked as deferred income, and recognised as income in the profit and loss in line with the costs for which it is expected to compensate.

EduCampus Services DAC has put a process in place to review the financial implications and risks of the company's long-term contractual commitments and all major funded project activity.

As per the constitution, the company is prohibited from making any distribution of funds to members.

EduCampus income in 2018

The majority of grant funding is received from the Department of Education and Skills via the Higher Education Authority, however during 2018 EduCampus earned €359,780 (2017: €0) from providing services to a new client (Trinity College Dublin) that is outside its original client base in the Institute of Technology sector. Expanding EduCampus Services client base by way of providing MIS services to other clients in the higher education sector, is a strategic objective of EduCampus Services.

Development and performance throughout the financial year and position at the end of the year.

Closing balance sheet position at end of year

There is no equity in the company other than the €100 (2017: €100) share capital created on incorporation. The company's total assets amounted to at 31 December 2018 €4,580,162 (2017: €4,864,668) which was a decrease of €284,506 compared to 2017.

The value of fixed assets is €212,012 (2017: €318,989). The only addition in the year was a leasehold improvement to replace the lift in the office, while the total depreciation and amortisation charge in the year was €125,096 (2017: €107,405).

The company's cash pile was consistent year on year at €2,947,589 at 31 December 2018 (2017: €2,924,259) and all cash is held in demand deposit accounts. Debtors at year end include prepayments of €839,866 (2017: €1,564,587) which is a reduction of 46%. There is a grant receivable of €522,900 at 31 December 2018 (2017: €0).

In liabilities, the company's outstanding creditors are €1,771,778 in December 2018 (2017: €1,099,558) and deferred grants increased by 68% during the year to €1,845,510 (2017: €1,095,968), although €522,900 of this is represented by the grant receivable described above.

The group does not have any loans or other borrowings outstanding. (2017: €0m)

Key performance indicators

Key Performance Indicators for EduCampus Services DAC	2018	2017
MIS Project expenditure/ total expenditure	5%	16%
Payroll cost/total cost	14%	13%
Staff turnover in %	13%	7%
Training days per staff member per year	2.4	0.18
Cash reserves	€2.95m	€2.92m
Number of clients	14	13
Average number of employees	15	15

STRUCTURE, GOVERNANCE AND MANAGEMENT

Introduction

EduCampus Services DAC was incorporated in April 2015, as a subsidiary company of HEAnet CLG, to implement, maintain and support business critical systems to clients in the HE sector.

EduCampus Services is governed by company law and is guided by the *"Code of Practice for the Governance of State Bodies".*

EduCampus is a Designated Activity Company with a majority share capital holding of 92% held by HEAnet, as its parent company. The company has charitable tax status and is registered with the Charities Regulatory Authority (CRA).

The Board of EduCampus Services is responsible for promoting the success of the organisation by leading and directing their activities. The directors provide strategic guidance to the organisation, and monitors and reviews its own activities, as well as the effectiveness of management.

The ordinary members and directors of EduCampus are appointed in accordance with its Constitution and the Companies Acts.

As per the Constitution, there should be a minimum of four directors and not more than a maximum of twelve directors, unless otherwise required by a majority of the members of the Company. The appointment of each director of the Company is subject to the prior written approval of the members in conjunction with their voting rights. However, the Chairperson of the Board of Directors of HEAnet and the Chief Executive of HEAnet are ex-officio directors on the Board of EduCampus.

The Board of Directors of EduCampus comprises an equal number of directors appointed by HEAnet CLG without consultation with any other party, organisation or body and an equal number of directors appointed by HEAnet after consultation with the Technical Higher Education Association (THEA).

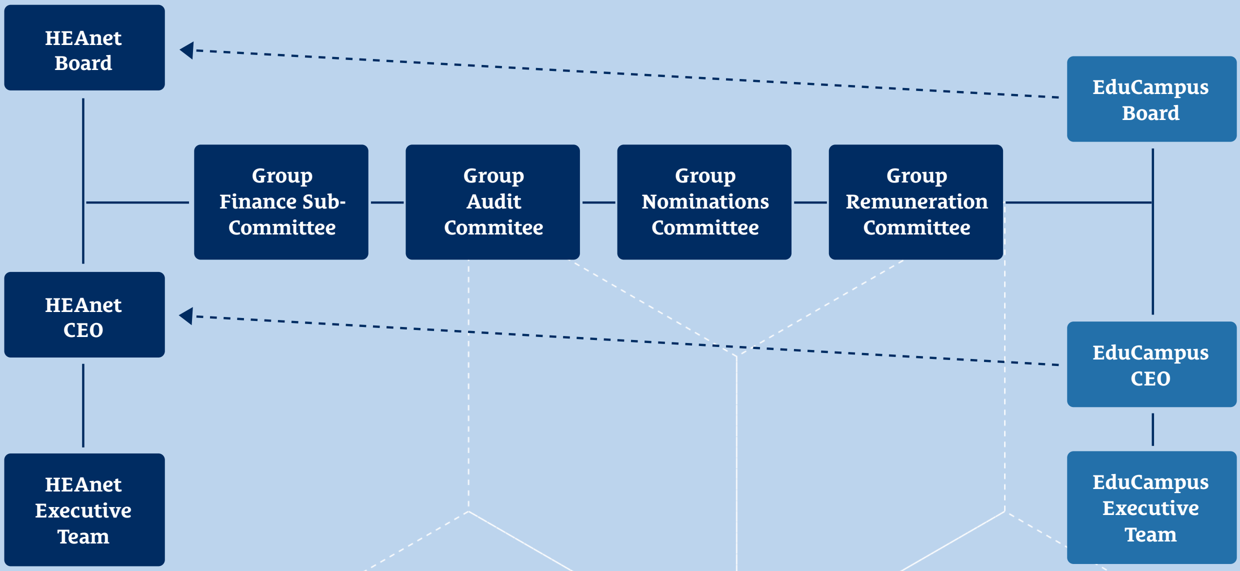
Directors are appointed for a term of four years and may be re-appointed for a second term of four years but may not be appointed for more than two consecutive terms of four years, at the end of which second term a director must retire from office.

No director may be appointed for a third consecutive term. A Director may be re-appointed to the Board of Directors after a period of four years has elapsed since that director's last term of office.

The directors of EduCampus who served during the financial year ended 31 December 2018 are listed below:

Name	Resigned /retired	Appointed
Ms Sheena Duffy		
Mr Jim Fennell	July 2018	
Ms Mary Kerr		
Mr Tadhg Leane		
Ms Barbara McConalogue		
Professor Mike Murphy		
Ms Kerrie Power		
Dr Joseph Ryan		
Professor Anne Scott		September 2018
Mr Thomas Stone		

The group governance structure is illustrated as follows:



Board Responsibilities

The EduCampus Board met six times during 2018 - in March, April, June, September and twice in November.

The work and responsibilities of the Board are set out in

- A terms of reference for the Board;
- Code of Conduct for Board Members;
- Schedule of Reserved Functions which also contain the matters specifically reserved for Board decision.

A schedule of standing items to be considered by the Board includes the following, of which some are included at every meeting, and others are included on a quarterly basis:

- Report from the chief executive;
- declaration of interests;
- reports from committees;
- financial reporting and budgeting.

As part of its oversight of EduCampus company matters, the Board focused on the following:

- Approved the EduCampus Services audited statutory accounts for financial year ending 31st December 2017 and met with the external auditors;
- Reviewed the quarterly financial statements;
- Discussed and considered project and funding updates in relation to the EduCampus MIS Refresh Project;
- Received and discussed EduCampus Operations update reports;
- Discussed and approved major contracts;
- Reviewed the EduCampus Services Board level Risk Register and risk management approach;
- Received and discussed quarterly reports from the Group Audit Committee;
- Considered and approved the company budget for the period 2018 to 2020;
- Work continued during 2018 to ensure compliance with the General Data Protection Regulation (GDPR) by the 25th May 2018 deadline. A Data Protection Officer was appointed in early 2018 to work with HEAnet and EduCampus.

During 2018 the HEAnet Board commissioned an independent HEAnet Group Governance Review to consider the governance arrangements of HEAnet and EduCampus, and in particular focused on:

- The Group's governance structures - including the Board, committees, reporting lines and accountability;
- The appropriateness of governance documentation;
- The appropriateness of the structure in supporting and encouraging the use of ICT shared services in the education and research sectors;
- The composition of the HEAnet and EduCampus Boards with respect to diversity, stakeholder representation and skills required for alignment with research, innovation and industry;
- The effectiveness of HEAnet and EduCampus Boards in promoting the use of ICT shared services for the education and research sectors;
- Each board's focus on delivering the HEA, DES and National Shared Services Strategies.
- A Steering Group was appointed by the HEAnet Board to oversee the governance review work, with the following membership:

HEAnet

- Professor Anne Scott, HEAnet Board Chairperson
- Mr Jim Fennell, former HEAnet Board Chairperson
- Ms Kerrie Power, HEAnet CEO
- Ms Rhian Williams, Company Secretary
- Mr David Stafford, Group Financial Controller

EduCampus

- Dr Joseph Ryan, EduCampus Board Chairperson Higher Education Authority
- Mr Padraic Mellett, Head of Corporate Affairs Department of Education and Skills
- Ms Deirdre McDonnell, Assistant Secretary General, Major Operations Division

The report's findings and recommendations were reviewed and discussed at HEAnet and EduCampus Board meetings during 2018 and the report was formally accepted at the HEAnet Board meeting in December. Work is ongoing to implement the recommendations and strengthen and clarify the group structure.

In addition to new director inductions and committee membership inductions, the directors of EduCampus joined the HEAnet directors for two half days of corporate governance workshops in September and October 2018.

HEAnet Group Committees

HEAnet and EduCampus, as its subsidiary, share the following Group committees:

Group Audit Committee

The purpose of the Audit Committee is to assist and, where relevant, make recommendations to the Boards of HEAnet and EduCampus on the discharging of its responsibilities as they relate to external and internal audits, thus ensuring that an effective system of internal control comprising financial, operational controls, compliance and risk management, is maintained and operated.

An independent firm of auditors provide the internal audit function for both organisations, and the Audit Committee agrees an internal audit plan for a rolling three-year period. The auditors undertake an annual System of Internal Financial Control Audit, as well as other risk-based audits that focus on key business areas identified in the Risk Register.

During 2018, the Committee met on four occasions and considered the following matters:

- Reviewed the audited annual statutory accounts for the period ending 31st December 2017, and met with the external auditors;
- Reviewed the risk management framework, including the risk appetite statement, risk management policy and risk register over the course of its four meetings and reported to both Boards on its findings and recommendations at year end;
- Reviewed both companies' preparation for compliance with GDPR and Data Protection;
- Reviewed and agreed updates to the Protected Disclosure (Whistleblowing) Policy;
- The Committee reviewed and agreed the Group Internal Audit Plan 2019 - 2021;
- Reviewed the findings and recommendations of the 2018 internal audits and met with the internal auditors on a number of occasions.

Members of the Group Audit Committee

EduCampus:

- Ms Mary Kerr

HEAnet:

- Dr Gerard Culley
- Mr Sean O'Farrell - Chairperson
- Dr Michael O'Malley (Ordinary member Maynooth University)
- Ms Dearbhla O'Reilly

Group Finance Sub-Committee

The Committee considers all financial matters relating to the company and its subsidiary and reports its findings and recommendations to the respective Boards.

The Finance Sub-committee met on four occasions during 2018 and considered the following matters:

- Reviewed the quarterly management financial statements and considered the general financial state of the HEAnet and EduCampus;
- Reviewed the HEAnet and EduCampus audited statutory accounts for year ending 31st December 2017;
- Reviewed and approved the HEAnet budget for the period 2018 to 2020, and EduCampus budget for 2018 to 2021, including major capital grant applications for both organisations;
- Considered the financial implications and risks of major funded project activity;
- Reviewed the HEAnet Client Contribution Model for 2019;
- Determined and reviewed the long-term financial commitments of HEAnet and EduCampus;
- Reviewed HEAnet's reserves statement.

Members of the Group Finance Sub-Committee

EduCampus:

- Mr Thomas Stone

HEAnet:

- Ms Sheena Duffy
- Mr Jim Fennell - Chairperson - resigned July 2018
- Ms Rosemary Fogarty - appointed chairperson October 2018
- Ms Colette McKenna
- Professor Anne Scott - appointed September 2018

Group Remuneration Committee

The Remuneration Committee meets annually at the beginning of the year to review and consider the performance and remuneration of the Chief Executives of HEAnet and EduCampus.

Members of the Group Remuneration Committee

- Mr Jim Fennell - Chairperson of the HEAnet Board of Directors - resigned July 2018
- Mr Sean O'Farrell - Chairperson of the Audit Committee
- Ms Sheena Duffy - member of the Finance Sub-committee

EduCampus Remuneration Committee

In addition to the above, the following members are part of the Committee in respect of the EduCampus CEO:

- Dr Joseph Ryan - Chairperson of EduCampus Services Board of Directors
- Ms Kerrie Power - HEAnet CEO

University Information Systems (UIS) Sub-Committee

The University Information Systems Sub-committee was established late 2017 as a sub-committee of the HEAnet Board to promote the adoption of EduCampus services and to make recommendations in terms of a positive engagement with EduCampus

The Sub-committee with the assistance of Ms Mary Crowe, Consultant, continued its work during 2018. A final report was considered by the committee at its meeting in December 2018, and this was referred to the HEAnet Board in February 2019. The final meeting of the UIS Sub-committee took place in January 2019.

The objectives of the Sub-committee are to:

- Identify how EduCampus Services can address the information systems challenges of the University sector;
- Make recommendations to HEAnet and EduCampus Services on change initiatives which will enable EduCampus to support the adoption of their services by the sector;
- Set expectations within the community of the scope of shared IT services and to consider the business implications of same;
- Formulate and focus on common areas of opportunity and clearly establish the value proposition of EduCampus and advise on how to promote its adoption;
- Provide timely and relevant feedback to HEAnet and EduCampus to aid the roll out of shared IT services;
- Promote collaboration and transparency throughout the process.

Members of the UIS Sub-Committee

- Dr Gerard Culley, University College Cork (HEAnet director)
- Ms Fionnuala Lambert, Chief Operating Officer, EduCampus Services
- Mr Patrick Magee, Trinity College Dublin (HEAnet director)
- Mr Jonathon McCarthy, IT Manager, CIT
- Ms Colette McKenna, Consortium of National & University Libraries (HEAnet director)
- Professor Mike Murphy, Technological University Dublin - City Campus (HEAnet director and EduCampus director)
- Mr Paddy Naughton, Chief Executive, EduCampus Services
- Mr Sean O'Farrell, National University of Ireland Galway (HEAnet director)
- Ms Kerrie Power, Chief Executive, HEAnet (EduCampus director) - Chairperson of the Sub-committee

The Committee's report was presented and approved by the HEAnet Board at its meeting in February 2019. The EduCampus Board discussed and endorsed the report at its meeting on 9 May 2019. Both Boards acknowledged that the initiatives and recommendations outlined in the report will be very useful and beneficial in the context of the group strategy planning process and group governance review.

Board attendance and expenses

Directors and members of the Company are not appointed to any salaried office or position within the company, the only monies received by officers of the company is reasonable and proper out of pocket vouched expenses, directly incurred by any director in connection with attendance to any matter affecting the Company. The aggregate expenses paid to board directors during 2018 was €374 (2017: €392).

Record of attendance at EduCampus Services DAC Board Meetings for 2018.

Meetings Attended 2018

	EduCampus Board Meeting	Group Audit Committee	Group Finance Sub-Committee
Ms Sheena Duffy	5 of 6		4 of 4
Mr Jim Fennell (resigned July 2018)	2 of 3		2 of 2
Ms Mary Kerr	5 of 6	3 of 4	
Mr Tadhg Leane	6 of 6		
Ms Barbara McConalogue	4 of 6		
Prof Mike Murphy	3 of 6		
Ms Kerrie Power	5 of 6		
Dr Joseph Ryan	6 of 6		
Prof Anne Scott (appointed September 2018)	2 of 2		2 of 2
Mr Thomas Stone	3 of 6		3 of 4

DISCLOSURES REQUIRED BY CODE OF PRACTICE FOR THE GOVERNANCE OF STATE BODIES (2016)

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

Board Fees

All fees paid to Board members are detailed in the governance section of the Trustees Report.

Board meetings and attendance

A record of the numbers of Board and committee meetings, and the attendance records are described in the governance section of the Trustees Report.

Termination/severance payments and agreements

There was no termination or severance payments and agreements made in 2018.

Employee Short-Term Benefits Breakdown

The Code requires that the State bodies provide information in relation to short-term employee benefits in relation to services rendered during the reporting period where those benefits exceed the threshold of €60,000 - the date should be provided in bands of €10,000. In accordance with DPER Circular 13/2014 Management of and Accountability for Grants from Exchequer Funds this information is presented in note 7 in the financial Statements.

The code requires specific disclosures in relation to termination payments over €10,000. There were no redundancies in 2018.

Disclosure of key management personnel compensation

The disclosure of key management personnel compensation is detailed in the financial statements in note 7.

Legal Costs and Settlements

There were no costs relating to fees for legal proceedings or settlements in 2018. This category does not include expenditure incurred in relation to general legal advice received by EduCampus which is disclosed in Consultancy costs below.

Consultancy Costs

The breakdown of Consultancy Costs is presented below:

	2018	2017
Legal	€24,682	€33,541
Tax and Financial advisory	€19,372	€34,356
Public relations and Marketing	-	-
Pension and Human resources	-	€2,289
Consultancy other	€15,960	€21,989
Total	**€60,014**	**€92,175**

Travel and Subsistence and Hospitality Expenditure

Travel and subsistence and Hospitality expenditure are categorised as follows:

	2018	2017
National Travel	€33,273	€26,280
International Travel	€202	€1,986
Hospitality	€13,679	€16,428
Total	**€47,154**	**€44,694**

Statement of Compliance

The EduCampus Board has complied with the Code of Practice for the Governance of State Bodies (2016) and has put procedures in place to ensure adherence with the Code. EduCampus Services has complied with the requirements of the Code of Practice for the Governance of State Bodies, in so far as possible, as published by the Department of Public Expenditure and Reform in August 2016.

REFERENCE AND ADMINISTRATIVE DETAILS

Ordinary members

The ordinary members of EduCampus Services DAC are:

- Mr Brian Carolan
- Mr James Fennell

HEAnet CLG

- Ms Barbara McConalogue
- Dr Joseph Ryan
- Mr Thomas Stone
- Ms Rhian Williams (Company Secretary)

Company Management Services

The directors, secretary and their families had no disclosable interests in the shares or debentures of the company or any other Group company at 31 December 2018.

Internal financial control

The board acknowledges its responsibility for ensuring that an effective system of internal financial control is maintained and operated. Such a system can provide only reasonable and not absolute assurances against material error and the system in place is proportionate to the size and nature of the company.

The key procedures, which have been put in place by the board, to provide effective internal financial control include the following:

- adopting best practice corporate governance principles as described in the 2016 Code of Practice for the Governance of State Bodies;
- clearly defined management responsibilities including segregation of duties and authorisation limits are in place for control of purchasing, payments, receipts and payroll;
- a comprehensive annual budgeting process that is reviewed and approved by the finance committee and the Board. The board reviews financial reports and performance against budget throughout the year;
- Establishing formal procedures to monitor the activities and safeguard the assets of the organisation;
- the Audit Committee meet on a regular basis to discuss risk management, including financial risks. They also receive periodic reports from an outsourced internal audit function, which always includes an annual review of the system of internal financial controls;
- reserving a schedule of matters for decision of the Board.

Through the steps above the board has reviewed the effectiveness of the system of internal control in 2018.

Events since the end of the financial period

There were no significant events which occurred between 31 December 2018 and the date these financial statements were approved.

Political donations

There were no political donations made by the company during the financial period ended 31 December 2018.

Research and Development

The company did not engage in research and development activities during the period ended to 31 December 2018.

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 company'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 company's auditors are aware of that information.

Statutory auditors

The statutory 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

Dr Joseph Ryan
Ms Sheena Duffy

9 May 2019

Statement on Internal Control

1. Responsibility

On behalf of the members of EduCampus, I acknowledge our responsibility for ensuring that an effective system of internal controls is put in place, maintained and operated.

2. Effectiveness

The system of internal controls can provide only reasonable and not absolute assurance that company assets are safeguarded, transactions are properly authorised and recorded, and that material errors, irregularities or fraud would be prevented or detected in a timely period.

3. Key control procedures

EduCampus's system of internal control is based on a framework of regular management information and an administrative system based on division of responsibilities, delegation and accountability. In practice, effective internal control is ensured by adhering to a formalised and sophisticated system of internal financial policies and procedures, of which the key controls are:

- clearly defined management responsibilities, including segregation of duties, and authorisation limits for approvals of payments;
- adopting best practice corporate governance principles as described in the 2016 Code of Practice for the Governance of State Bodies;
- establishing formal procedures to monitor the activities and safeguard the assets of the organisation;
- a comprehensive annual budgeting process that is reviewed and approved by the finance committee of the Board, and by the Board itself;
- regular financial reporting by management to the finance committee and the Board on performance against budgets;
- reserving a schedule of matters for decision of the Board.

Effective monitoring and reviewing of the systems of internal control by EduCampus's Board is informed by the work of the Audit Committee, the internal auditor and the external auditor. The management team, led by the CEO, are responsible for the development and maintenance of the internal controls framework.

The Board of EduCampus is served by a permanent Audit Committee, comprising members from the Board of EduCampus, the Board of HEAnet, and an external member from HEAnet's ordinary member network.
As described in the Audit Committee's terms of reference, the committee's duties include:

- responsibility for reviewing the effectiveness of internal controls;
- reviewing the risk management framework (including the risk appetite and risk register);
- reviewing and approving the internal audit plan, the internal audit charter and the internal auditor's work programme; and
- liaising with and receiving reports from the external auditor.

Risk management and internal audit

The internal audit work programme, and three-year internal audit plan, is prepared having regard to EduCampus's risk register. The risk register is reviewed at every meeting of the Audit Committee, and a report on this review is delivered at each Board meeting under the Audit Committee matters.

EduCampus's internal audit was provided in 2018 by Deloitte LLP under a contract awarded in 2016 under an OGP framework. At a minimum, the internal audit work programme always includes a review of the effectiveness of the system of internal financial controls. At least one further internal audit review of another part of EduCampus's operations will also normally take place during the year. During 2018 two targeted internal audit reviews took place.

Review of the system of internal financial controls

This review took place in May and the final report was presented to the Audit Committee by the outsourced internal auditor at its meeting in September 2018.

Cyber-attack preparedness

This fieldwork for this review took place in November 2018 and the report of the review was presented to the Audit Committee for approval at their meeting in February 2019.

All outstanding recommendations made in internal audit reports are tracked and the progress towards implementing all recommendations made are reviewed at every meeting of the Audit Committee.

In addition to the work of the outsourced internal auditor, the Committee also directed the executive to investigate and report on the following matters:

- the appropriateness of management's preparedness for the GDPR. This was a standing agenda item at the meetings before the legislation was enacted;
- a report on the companies' pay strategy and system of reward and compensation. The objective here was to investigate fairness, appropriateness and sustainability. The output of this review was considered at the November meeting, and was referred to the Board in December.

4. Annual review of controls

I can confirm that for the year ended 31 December 2018 the Board of EduCampus carried out a targeted review of the effectiveness of systems of internal controls.

5. Control weaknesses identified and reported in these accounts

No control weaknesses have been identified that resulted in an instance of fraud, or a material loss, contingency, or uncertainty being disclosed in these financial statements or the auditor's report on the financial statements.

6. Corrective action for specified weaknesses

There is no specific remedy of any control weaknesses arising from section five above that is to be described here.

7. Procurement

EduCampus strives for full compliance with current public procurement rules and guidelines as set by the Office of Government Procurement.

On behalf of the board

Dr Joseph Ryan,
Chairman

Statement of Responsibilities of Directors

The Directors are responsible for preparing the directors' report and the financial statements which give a true and fair view of the Company's assets, liabilities and financial position as at the end of the financial year and of the surplus or deficit of EduCampus Services DAC for the financial year. The directors have elected to prepare the financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and with the Statement of Recommended Practice applicable to Higher Education entities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (HE SORP FRS102), effective 1 January 2016.

The directors shall not approve the financial statements unless they are satisfied that they give a true and fair view of the Company's assets, liabilities and financial position as at the end of the financial year and the surplus or deficit of the Company for the financial year.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to:

- correctly record and explain the transactions of the Company;
- enable, at any time, the assets, liabilities, financial position and surplus or deficit of the Company to be determined with reasonable accuracy;
- enable those financial statements to be audited; and
- are prepared in accordance with accounting standards generally accepted in Ireland and comply with the Companies Act 2014.

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

On behalf of the board

Dr Joseph Ryan
Ms Sheena Duffy

9 May 2019

Independent auditors' report to the members of EduCampus Services DAC

Report on the audit of the financial statements

Opinion

In our opinion, EduCampus Services DAC's financial statements:

- give a true and fair view of the company's assets, liabilities and financial position as at 31 December 2018 and of its result and cash flows for the year 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 Companies Act 2014.

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

- the balance sheet as at 31 December 2018;
- the statement of comprehensive income and expenditure for the year then ended;
- the statement of cash flows for the year then ended;
- the statement of changes in equity for the year 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.

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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors 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.

Reporting on other information

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

With respect to the Trustee/Directors' Report, we also considered whether the disclosures required by the Companies Act 2014 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (Ireland) and the Companies Act 2014 require us to also report certain opinions and matters as described below:

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors'/Trustees' Report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with the applicable legal requirements.
- Based on our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors'/Trustees' Report.

Code of Practice for the Governance of State Bodies (the "Code")

Under the Code of Practice for the Governance of State Bodies (the "Code") we are required to report to you if the statement regarding the system of internal control included on pages 23 to 24 does not reflect the company's compliance with paragraph 1.9(iv) of the Code or if it 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 directors for the financial statements

As explained more fully in the Directors' Responsibilities set out on page 25, the directors 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 directors 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 directors are responsible for assessing the group's and 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 directors 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 consolidated 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

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.

Other required reporting

Companies Act 2014 opinions on other matters

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the company financial statements to be readily and properly audited.
- The Balance Sheet is in agreement with the accounting records.

Companies Act 2014 exception reporting

Director's remuneration and transactions

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

Aisling Fitzgerald

Aisling Fitzgera1d
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Dublin

9 May 2019

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Chartered Accountants

Statement of Comprehensive Income and Expenditure

Financial Year Ended 31 December 2018

	Notes	2018	2017
		€	€
Income			
Funding body grants	5	9,023,691	9,298,088
Other client income	6	359,780	-
Total income		9,383,471	9,298,088
Expenditure			
Staff costs	7	(1,277,419)	(1,242,929)
Direct costs of services sold	8	(929,789)	(1,533,032)
Administration expenses	8	(849,234)	(826,537)
Other operating expenses	8	(6,327,029)	(5,695,590)
Total expenditure		(9,383,471)	(9,298,088)
Surplus/(deficit) before other gains and losses		-	-
Gain/(loss) on disposal of fixed assets		-	-
Total comprehensive income for the year		-	-
Represented by:			
- Restricted comprehensive income for the year		-	-
- Unrestricted comprehensive income for the year		-	-
		-	-

All items of income and expenditure relate to continuing activities

Statement of Changes in Equity

Financial Year Ended 31 December 2018

	Income and expenditure account		Share capital	Total
	Restricted	Unrestricted		
	€	€	€	€
Balance at 1 January 2017	-	-	100	100
Surplus/(deficit) from the income and expenditure statement	-	-	-	-
Other comprehensive income	-	-	-	-
Release of restricted funds spent in year	-	-	-	-
Total comprehensive income for the year	-	-	-	-
Balance at 31 December 2017	-	-	100	100
Balance at 1 January 2018	-	-	100	100
Surplus/(deficit) from the income and expenditure statement	-	-	-	-
Other comprehensive income	-	-	-	-
Release of restricted funds spent in year	-	-	-	-
Total comprehensive income for the year	-	-	-	-
Balance at 31 December 2018	-	-	100	100

Balance Sheet

As at 31 December 2018

	Notes	2018 €	2017 €
Non-current assets			
Intangible assets	9	-	49,778
Tangible assets	10	212,012	318,989
		212,012	368,767
Current assets			
Trade and other receivables	11	1,420,561	1,571,642
Cash and cash equivalents		2,947,589	2,924,259
		4,368,150	4,495,901
Less: **Creditors** (amounts falling due within one year)	12	(4,048,050)	(3,164,225)
Net current assets		320,100	1,331,676
Total assets less current liabilities		532,112	1,700,443
Creditors (amounts falling due after more than one year)			
Deferred grants	14	(320,000)	(1,331,575)
Capital grants	14	(212,012)	(368,768)
		(532,012)	(1,700,343)
Total net assets		100	100
Restricted reserves			
Income and expenditure reserve - restricted reserve	16	-	-
Unrestricted reserves			
Income and expenditure reserve - unrestricted	16	100	100
Total reserves		100	100

The financial statements were approved by the Governing Body on 9 May 2019 and were signed on its behalf on that date by

On behalf of the board

Dr Joseph Ryan
Ms Sheena Duffy

9 May 2019

Statement of Cash Flows

Financial Year Ended 31 December 2018

	2018	2017
	€	€
Cash flow from operating activities		
Surplus for the year	-	-
Adjustment for non-cash items		
Amortisation of intangible assets	49,778	85,335
Depreciation on non-current assets	125,095	107,405
(Increase) in trade and other receivables	(573,640)	(1,584)
Decrease/(increase) in prepayments	724,721	(591,550)
Increase/(decrease) in creditors	883,825	(1,101,711)
(Decrease)/increase in long term creditors	(1,168,331)	1,284,563
Net cash generated from operating activities	41,448	(217,542)
Cash flows from investing activities		
Purchases of intangible assets	-	-
Purchases of tangible fixed assets	(18,118)	(145,727)
Net cash used in investing activities	(18,118)	(145,727)
Cash flows from financial activities		
Issue of ordinary share capital	-	-
Net cash used in financing activities	-	-
Net increase/(decrease) in cash and cash equivalents in the year	23,330	(363,269)
Cash and cash equivalents at beginning of the year	2,924,259	3,287,528
Cash and cash equivalents at end of the year	2,947,589	2,924,259
Components of cash and cash equivalents		
Cash and cash equivalents comprised:		
Cash at bank and in hand	2,947,589	2,924,259
Short term deposit	-	-
Cash equivalents	2,947,589	2,924,259

Notes to the Financial Statements

1 General information

EduCampus Services DAC represents a continued commitment to the delivery of MIS shared services to the higher education sector. The initiative is fully supported by the Higher Education Authority and illustrates a renewed commitment to the next evolution of shared services delivery to the higher education sector as a whole.

The company is incorporated as a Designated Activity Company (DAC) and having a share capital in the Republic of Ireland. The address of its registered office is C/O HEAnet CLG, 1st Floor, 5 George's Dock, IFSC, Dublin 1.

2 Statement of compliance

The entity financial statements have been prepared on a going concern basis and in accordance with Irish GAAP (accounting standards issued by the Financial Reporting Council of the UK and promulgated by the Institute of Chartered Accountants in Ireland and the Companies Act 2014). The entity financial statements comply with Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)" and with the statement of recommended practice - Accounting for Further and Higher Education 2015 (HE SORP) and the Companies Act 2014.

3 Summary of significant accounting policies

The significant accounting policies used in the preparation of the entity financial statements are set out below. These policies have been applied to all years presented, unless otherwise stated.

(a) Basis of Preparation

These financial statements are prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the financial period. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

(b) Going concern

Educampus meets its working capital requirements by way of grant funding support from the Department of Education and Skills through the Higher Education Authority and client income. While the current economic climate for government expenditure remains challenging, the outlook is more positive than in recent years and the directors are satisfied that adequate support will be made available for EduCampus to continue operations next year and into the future. EduCampus therefore continues to adopt the going concern basis in preparing the financial statements.

(c) Parent and ultimate controlling party

HEAnet CLG owns 92% of the equity share capital of EduCampus Services DAC. EduCampus Services DAC's ultimate parent and ultimate controlling party is HEAnet CLG.

These financial statements are the company's separate financial statements for the financial year ending on 31 December 2018.

(d) Foreign currencies

The company's functional and presentation currency is the euro, denominated by the symbol "€".

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates ruling at the balance sheet date and revenues, costs and non-monetary assets at the exchange rates ruling at the dates of the transactions, except that where a transaction is covered by a forward exchange contract, the contracted exchange rate is used.

Profits and losses arising from foreign currency transactions and on settlement of amounts receivable and payable in foreign currency are dealt with in the profit and loss account. Monetary assets are money held and amounts to be received in money; all other assets are non-monetary assets. All foreign exchange gains and losses are presented in the profit and loss account within "other operating expenses".

(e) Income

Income is measured at the fair value of the consideration received or receivable and represents the amount receivable for services rendered. This income is derived from grants obtained.

Grant income is recognised on an accruals basis in operating income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate.

Grants related to assets shall be recognised in income on a systematic basis over the expected useful life of the asset.

Where part of a grant relating to an asset is deferred, it is recognised as deferred capital grants amounts falling due after more than one year.

Income includes grants received from the Department of Education and Skills via the Higher Education Authority.

Other client income is invoiced to clients and recognised when the service is provided.

(e) Employee Benefits

(i) Short term benefits

Short term benefits including holiday pay, company sponsored health insurance, sick pay and risk cover are provided for employees. The cost of these short term benefits is recognised as an expense in the period in which employees render the related service.

(ii) Defined contribution plan

The company operates a defined contribution pension plan for its employees and the pension entitlements of the employees are secured by contributions to a separately administered defined contribution pension scheme and the assets of the plan are held separately from the company. The expected cost of providing pensions to employees is charged to the profit and loss account when they are due. Amounts not paid are included in accruals in the balance sheet.

(g) Intangible fixed assets

Computer software is carried at cost less accumulated amortisation and accumulated impairment and is amortised over its estimated useful life as follows:

Computer Software	2 years

Intangible fixed assets are reviewed for impairment if there is an indication that the intangible asset may be impaired.

(h) Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation and accumulated impairment. Cost includes the original purchase price and costs directly attributable to bringing the asset to use.

Depreciation is calculated to write off the cost of tangible fixed assets over their estimated useful lives using the straight line method.

The estimated useful lives of tangible fixed assets by reference to which depreciation has been calculated are as follows:

Fixtures and Fittings	4 years
Computer Hardware	3 years
Leasehold Improvements	Remainder of Lease period (7 years)

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each financial year. The effect of any change in either residual values or useful lives is accounted for prospectively.

Repairs and maintenance are accounted for through the profit and loss account.

Tangible fixed assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

(i) Impairment of non-financial assets

At the end of each financial year non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset may be impaired. If there is such an indication the recoverable amount of the amount is estimated.

If the recoverable amount of the asset is less than the carrying amount of the asset, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account.

(j) Shared capital presented as equity

Equity shares issued are recognised on the basis of the proceeds received and presented as share capital. Incremental costs directly attributable to the issue of new equity shares are shown in equity as deductions, net of tax, from the proceeds.

(k) Cash and cash equivalents

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

(l) Financial Instruments

The company has chosen to adopt the sections 11 and 12 of the FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade and other debtors and cash and cash equivalents, are initially recognised at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial asset is initially measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument.

Trade and other debtors and cash and cash equivalents which constitute financing transactions are subsequently measured at amortised cost using the effective interest method.

At the end of each financial year financial assets measured at amortised cost are assessed for objective evidence of impairment. If there is objective evidence that a financial asset measured at amortised cost is impaired an impairment loss is recognised in profit or loss. The impairment loss is the difference between the financial asset's carrying amount and the present value of the financial asset's estimated cash inflows discounted at the asset's original effective interest rate.

If, in a subsequent financial year, the amount of an impairment loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognised the previously recognised impairment loss is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment loss not previously been recognised. The impairment reversal is recognised in profit or loss.

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 ownership of the financial asset are transferred to another party or (c) control of the financial asset has been transferred to another party who has the practical ability to unilaterally sell the financial asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial liability is initially measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Trade and other creditors and financial liabilities from arrangements which constitute financing transactions are subsequently carried at amortised cost, using the effective interest method.

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.

(iii) Offsetting

Financial assets and liabilities are offset, and the net amounts presented in the financial statements when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

(m) Funds

All transactions of the organisation have been recorded and reported as income into or expenditure from funds which are classified as "restricted", 'designated" or "unrestricted".

(i) Restricted funds

Income is treated as restricted where the grantor or funder has specified that it may only be used for a particular purpose or where it has been raised for a particular purpose. All other income is treated as unrestricted. Expenditure is treated as being made out of restricted funds to the extent that it meets the criteria specified by the grantor or the terms under which it was raised. All other expenditure is treated as unrestricted.

(ii) Unrestricted funds

Unrestricted funds are grants received for the general purpose of the organisation which have no explicit restrictions attaching to them. The balance of the unrestricted fund at the end of the year represents the assets held by the organisation for general use in furtherance of its work.

(iii) Designated reserves

On occasion the board designates certain elements of unrestricted funds to be used for a specific future purpose. There are no designated funds as at 31 December 2018 and 31 December 2017.

4 Critical accounting judgements and estimation uncertainty

The directors make estimates and assumptions concerning the future in the process of preparing the entity financial statements. The resulting accounting estimates will, by definition, seldom equal the related actual results. While there is always a risk where judgements and estimates are used, none of these is considered by the directors to pose a serious risk of requiring material restatement in the next financial year. This is addressed below:

Useful economic lives of tangible assets

Depreciation is calculated to write off the cost of tangible fixed assets over their estimated useful lives. The estimated useful lives of tangible fixed assets detailed in the accounting policies is considered appropriate.

5 Funding body grants

	2018	2017
	€	€
(a) Recurrent grant		
EduCampus operational recurrent grants	8,278,809	7,572,317
(b) Specific grants		
MIS refresh project grant	469,461	1,533,032
Grants for Education Shared Business Service HRM Project	100,547	-
	570,008	1,533,032
(c) Capital grants		
Operational capital amortisation	89,026	103,851
Transition capital amortisation	85,847	88,888
	174,873	192,739
Total funding body grants	9,023,691	9,298,088

6 Other client income

	2018	2017
	€	€
MIS services charged to clients	359,780	-

7 Staff costs

	2018	2017
	€	€
Staff costs		
Salaries	924,041	834,584
Secondee costs	144,630	209,140
Social security costs	96,221	90,292
Retirement benefit costs	87,856	81,781
Company sponsored health insurance	14,389	14,025
Company sponsored risk	10,282	13,107
Total	1,277,419	1,242,929

Salary banding for all employees (including secondees) earning over €60,000 is shown below, excluding employer pension scheme contributions.

	2018 Number	2017 Number
€60,000 - €69,999	2	3
€70,000 - €79,999	4	4
€80,000 - €89,999	1	2
€90,000 - €99,999	1	-
€100,000 - €109,999	1	1
€110,000 - €119,999	-	-
€120,000 - €129,999	-	-
€130,000 - €139,999	1	1

Average staff numbers by major category:

Management	5	4
Administration	3	3
Project management/service delivery	7	8
	15	15

Additional disclosures are included in the above table to show the number of staff in the band between €60,000 and €69,999. This is not required under the HE SORP, but it is a requirement of the Code of Practice for the Governance of State Bodies (2016).

Key management personnel

Key management personnel have been identified as the directors (of whom none are appointed to any salaried office or position with the company), and senior management (5 personnel) (2017: 4). The total compensation paid to these personnel in 2018 was €569,743 (2017: €452,618) and this includes salary, pension contributions and health insurance contributions.

The Chief Executive's remuneration for 2018 was €137,865 (2017: €132,563)

8 Analysis of total expenditure by activity

	2018	2017
	€	€
Staff costs	(1,277,419)	(1,242,929)
Direct cost of services sold	(929,789)	(1,533,032)
Administration expenses	(849,234)	(826,537)
Other operating expenses	(6,327,029)	(5,695,590)
	(9,383,471)	(9,298,088)
Administration expenses include:		
Rent, Rates, Service Charge and Office Support	243,446	299,500
Depreciation and amortisation	174,873	192,739
Consultancy and Professional fees	49,924	51,181
External auditors remuneration in respect of audit services*	18,450	16,605
External auditors remuneration in respect of non-audit services*	2,337	6,150
Other operating expenses include:		
MIS - IT Service Costs	5,002,542	5,085,437
MIS - Service Continuity	1,195,846	485,288

**Auditors remuneration is inclusive of VAT*

9 Intangible assets

	2018	2017
	€	€
Software licenses		
Cost		
At 1 January	170,669	170,669
Additions in the year	-	-
Disposals	-	-
At 31 December	170,669	170,669
Accumulated amortisation		
At 1 January	(120,891)	(35,556)
Charge for the year	(49,778)	(85,335)
Disposals	-	-
At 31 December	(170,669)	(120,891)
Net book value		
At 31 December	-	49,778

10 Tangible assets

	Fixtures, fittings and equipment	Computer Hardware	Leasehold Improvements	Total
	€	€	€	€
Cost				
At 1 January 2017	264,744	60,690	-	325,434
Additions	119,183	26,544	-	145,727
Disposals	-	-	-	-
At 31 December 2017	383,927	87,234	-	471,161
Accumulated depreciation				
At 1 January 2017	(27,477)	(17,290)	-	(44,767)
Charge for the year	(79,513)	(27,892)	-	(107,405)
Disposals	-	-	-	-
At 31 December 2017	(106,990)	(45,182)	-	(152,172)
Net book value				
At 31 December 2017	276,937	42,052	-	318,989
Cost				
At 1 January 2018	383,927	87,234	-	471,161
Additions	3,583	-	14,535	18,118
Disposals	-	-	-	-
At 31 December 2018	387,510	87,234	14,535	489,279
Accumulated depreciation				
At 1 January 2018	(106,990)	(45,182)	-	(152,172)
Charge for the year	(96,054)	(28,509)	(532)	(125,095)
Disposals	-	-	-	-
At 31 December 2018	(203,044)	(73,691)	(532)	(277,267)
Net book value				
At 31 December 2018	184,466	13,543	14,003	212,012

Future asset purchase commitments	2018	2017
	€	€
Contracted for but not provided for in the financial statements	-	-
Authorised by the Directors but not contracted for	-	-
	-	-

11 Trade and other receivables

	2018	2017
	€	€
Amounts falling due within one year:		
Other debtors	57,795	7,055
Grant receivable at year end	522,900	-
Prepayments	839,866	1,564,587
	1,420,561	1,571,642

Other debtors do not include any provision for impairment.

12 Creditors (amounts falling due within one year)

	2018	2017
	€	€
Trade creditors	1,771,778	1,099,558
Intercompany creditors	-	13,376
Accruals	385,191	827,431
Taxation and social insurance	38,163	110,307
Deferred grants (note 13(b))	1,845,510	1,095,968
Other accrual	7,408	17,585
	4,048,050	3,164,225

Included in the above taxation and social insurance liability are the following:

	2018	2017
VAT payable	3,605	75,884
PAYE	17,874	17,470
PRSI	11,217	11,775
Universal social charge	3,488	3,373
LPT	34	-
Company sponsored health insurance	1,945	1,805
	38,163	110,307

Amounts due to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Amounts owing to trade creditors are subject to agreed payment terms, which are generally thirty days. Tax and social insurance are repayable in accordance with the applicable statutory provisions.

13 Grants

(a) Grants

	Other restricted grant	Restricted capital grant	Total 2018	Total 2017
	€	€	€	€
Balance at beginning of year	383,976	2,043,568	2,427,544	3,223,169
Grants received/receivable during the year	8,346,000	258,900	8,604,900	8,453,850
Transfers within projects	-	-	-	-
	8,729,976	2,302,468	11,032,444	11,677,019
Less:				
Recurrent grants released to revenue (note 5(a and b)	(8,278,809)	(570,008)	(8,848,817)	(9,103,749)
Transfer to capital grants	(18,117)	-	(18,117)	(145,727)
	(8,296,926)	(570,008)	(8,866,934)	(9,249,476)
Deferred grants at end of year	433,050	1,732,460	2,165,510	2,427,543

(b) Grants due within/after one year

	Other restricted grant	Restricted capital grant	Total 2018	Total 2017
Thereof:				
Amounts falling due within one year	433,050	1,412,460	1,845,510	1,095,968
Amounts falling due after more than one year	-	320,000	320,000	1,331,575
	433,050	1,732,460	2,165,510	2,427,543

Operational Grants recognised in the year is funding obtained from the Higher Education Authority and with the support of Institutes of Technology representative body, formerly IOTI, now THEA (since January 2017). These grants are to be utilised in providing quality IT and MIS shared services to the higher education sector and no unfulfilled conditions were outstanding at the period ended 31 December 2018.

MIS refresh project grants recognised in the year is funding obtained from the Department of Education and Skills, through the Higher Education Authority. These were utilised to refresh the HRM and payroll system and no unfulfilled conditions were outstanding at the period ended 31 December 2018.

(c) Future purchase commitments

	2018	2017
	€	€
MIS Refresh Project		
- HRM & Payroll System	729,179	1,114,161
- Student Credentials System	-	113,360
- Library System	191,484	303,229
- Finance System	2,567,462	2,761,515
Total MIS Refresh Project	3,488,125	4,292,265
HRM & Payroll System for new Clients	-	1,000,000
Total contracted for but not provided for in the financial statements	3,488,125	5,292,265

13 Grants (continued)

(d) Analysis of deferred grants and grant income for the year ended 31 December 2018

Name of Grantor	Name of Grantor	Purpose of Grant	Opening deferral 1 January 2018	Grant received 2018	Income and expenditure 2018	Closing deferral 31 December 2018	Reason for Closing Deferral
			€	€	€	€	
Department of Education and Skills through the Higher Education Authority	Vote 26 C. 04	These grants are utilised in providing quality IT and MIS shared Services to the Institutes of Technology	383,976	8,346,000	(8,296,926)	433,050	Commitments in 2018 for 2019 expenditure
Department of Education and Skills through the Higher Education Authority	Vote 26 C. 16	Funding the refresh of the HRM and Payroll System	49,018	158,353	(248,700)	(41,329)	Commitments in 2018 for 2019 expenditure
Department of Education and Skills through the Higher Education Authority	Vote 26 C.16	Funding the upgrade of CoreHR for TCD through ESBS	-	100,547	(100,547)	-	
Department of Education and Skills through the Higher Education Authority	Vote 26 C.16	Funding the refresh of the remaining Managed Information System	1,994,550	-	(220,761)	1,773,789	Future capital purchase commitments for the MIS refresh project
Closing balance (Note 13(b))			2,427,544	8,604,900	(8,866,934	2,165,510	

14 Creditors (amounts falling due after more than one year)

	Notes	2018 €	2017 €
Deferred grants	13(b)	320,000	1,331,575
Capital grants	14(a)	212,012	368,768
		532,012	1,700,343

(a) Capital grants

	Notes	2018 €	2017 €
Balance at beginning of year		368,768	415,780
Grants received/receivable during the year	13(a)	18,117	145,727
		386,885	561,507
Amortisation for the year	5	(174,873)	(192,739)
Balance at end of year		212,012	368,768

15 Operating lease commitments

	2018 €	2017 €
Minimum lease payment under operating leases recognised as an expense during the year	99,398	99,398

At period end, the company has outstanding commitments under non-cancellable operating lease that fall due as follows:

	2018 €	2017 €
Buildings:		
Within one year	99,398	99,398
Later than one year and not later than five years	503,614	503,614
Later than five years	69,578	168,975
Total lease payments due	672,590	771,987

The company had no other off-balance sheet arrangements.

16 Share capital and reserves

Equity Shares

There is a single class of ordinary shares. The income and property of the Company, where so ever derived, shall be applied solely towards the promotion of the main objects of the company and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit to the members of the Company.

	2018	2017
	€	€
Authorised		
100 ordinary shares of €1 each	100	100
Allotted and fully paid - presented as equity		
100 ordinary shares of €1 each	100	100

Profit and loss account

Profit and loss account represents accumulated comprehensive income for the financial year.

17 Related party transactions

Parent and ultimate controlling party

HEAnet CLG owns 92% of the equity share capital of EduCampus Services DAC.

EduCampus Services' ultimate parent and ultimate controlling party is HEAnet CLG.

On 1 March 2016, EduCampus Services became a client of HEAnet. Client contribution charges to HEAnet for 2018 was €10,271 (2017: €9,640 including set up costs).

Business support services were provided by HEAnet to EduCampus Services, which amounted to €334,982 (2017: €271,000).

Other services provided by HEAnet CLG to EduCampus Services DAC relate to Web-hosting, EduStorage, Moodle and Managed eduroam Radius Service. Other services charged by HEAnet CLG for the period amounted to €5,233 (2017: €20,019).

The balance receivable in respect of all services provided by HEAnet to EduCampus Services at the year- end was €Nil (2017: €13,376).

Dr Joseph Ryan, director and Chairperson of EduCampus Services for the period 1 January 2018 to 31 December 2018, was also a director of An Chéim Computer Services Ltd for the period.

Ms Mary Kerr, director of EduCampus Services for the period 1 January 2018 to 31 December 2018, was also a director of An Chéim Computer Services Ltd for the period.

An Chéim Computer Services Ltd. was liquidated on 7 December 2018.

18 Contingent asset

A potential contingent asset (and related contingent liability in the same amount) exists at the end of 2018 in relation to the transfer of business from An Chéim. This would take the form of surplus grants in An Chéim being transferred to EduCampus and recognised as deferred grant income. As the amount of the asset had not been determined at the time of finalisation of the financial statements no asset has been recognised. The status of this contingent asset will be monitored on an on-going basis by EduCampus Services. However, at present it is not possible to quantify a reasonable financial effect.

19 Pension Plans

The pension entitlements of employees arise under a defined contribution plan. The company's contribution charge to the profit and loss account for the year ended 31 December 2018 amounted to €87,856 (2017: €81,781).

20 Comparitives

Certain comparatives figures have been re-classified for presentation purposes.

21 Approval of the financial statements

The directors approved the financial statements on 9 May 2019.

EduCampus

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