



EduCampus

EduCampus Services DAC

Directors' Report & Financial Statements



Financial year ended 31 December

2021

**EduCampus provides
business critical ICT application
services and management
information systems (MIS) to the
higher education and research
sectors in Ireland**



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Chairperson's Report



Notwithstanding the challenges of a global pandemic, this report attests to the significant expansion in both scale and scope of activity

It is a pleasure to provide this report on the progress of EduCampus through the reporting year 2021. Notwithstanding the challenges of a global pandemic, this report attests to the significant expansion in both scale and scope of activity.

Working closely in collaboration with the Board and executive of our sister company, HEAnet, and with active support from the Departments of Education and Skills and from Further & Higher Education, Research, Innovation, and Science, we have broadened our reach significantly and can point to 2021 as a period of conscious growth.

As chair, and on behalf of fellow directors, I compliment the CEO, Paddy Naughton, and his team for their innovation and commitment. Acknowledged also is the formative work with Education Shared Business Services and separately with HEAnet in order to better serve our learning and research communities. At a time when external pressures have highlighted the potential of a digitally connected world, EduCampus is to the fore in working with key partners to shape that reality.

Strong governance remains of critical importance to the organisation. There were five board meetings held during the year, with the Board comprising of key stakeholders from across the sector with representation from the Institutes of Technology (IOTs) and TUs, the traditional Universities, the Higher Education Authority (HEA) and HEAnet.

In addition, there are four sub-committees that 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.

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 2021.

1. There were no commercially significant developments. No new subsidiaries or joint ventures were established, and there were no share acquisitions or disposals
2. No off-balance sheet financial transactions took place
3. I affirm that all appropriate procedures for financial reporting, internal audit, travel, procurement and asset disposals are being carried out
4. We have policies and procedures in place to strive for compliance with public procurement requirements. We have a dedicated Procurement and Contracts specialist in place to oversee compliance in this area.
5. 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 Annual Report, pages 31-32.
6. We have a Code of Business Conduct for Directors in place
7. EduCampus is a private company and none of its directly employed staff are public or civil servants¹. 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.
8. 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.
9. There are no post-balance sheet events to report
10. The company follows the principles of the Public Spending Code, as they are interpreted and agreed with its funders
11. Procedures have been put in place for the making of protected disclosures in accordance with S. 21 (1) of the Protected Disclosures Act 2014
12. We strive to comply with Government travel policy in all respects as far as possible
13. We have complied with our obligations under tax law
14. EduCampus is not involved in any legal disputes with any other State bodies
15. As far as possible, EduCampus is taking all necessary steps to comply with the 2016 Code of Practice for the Governance of State Bodies. In 2019, a 'compliance gap analysis' was carried out. The analysis identified sections of the 2016 Code that EduCampus cannot meet. The Department was made aware of the instances of non-compliance and these will be formalised as a schedule of derogations in the draft Performance Delivery Agreement (PDA) currently under discussion with them.
16. As at 31st December 2021, the EduCampus Board had three (33%) female and six (67%) male members. As per the EduCampus Constitution a maximum of 12 directors may be appointed to the Board.

The Board is guided by the Government target of a minimum of 40% representation of each gender in its membership and unfortunately fell below the minimum representation due to the resignation of a female director during the month of December.

I believe this coming year will bring opportunities for further growth in the EduCampus client community and, through innovation and collaboration, I look forward to EduCampus providing the type of leadership that will serve to empower the Higher Education sector by delivering a range of systems and services to meet their evolving needs.

Dr Joseph Ryan,
Chairperson, EduCampus Services DAC

¹ There are a number of EduCampus staff 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.

A Message from the Chief Executive



In 2021, EduCampus continued to support the strategic objectives of our clients and the wider stakeholder community through the provision of quality shared services

In 2021, EduCampus continued to support the strategic objectives of our clients and the wider stakeholder community through the provision of quality shared services and the further development of our innovative portfolio of services.

The EduCampus Strategic Plan 2020-2024 sets out our ambition to “empower higher education through quality IT Shared Services.” In 2021, EduCampus continued to deliver on this ambition by working in partnership with, and through extensive collaboration with our client community.

EduCampus remains committed to quality in all aspects of our operations and services, and our aim is to deliver value for money through efficiencies at multiple levels, including economies of scale, aggregated demand, and synergies with our parent company HEAnet.

EduCampus is playing a leading role in partnership with our clients to support them on their journey to establishing Technological Universities. We continue to work closely with each of the TUs and assist them in achieving the target of consolidated MIS systems, a critical element required to support them in their transformation to operating as new Universities.

Our dedication to supporting our people was recognised when along with HEAnet we were awarded the Best in Wellbeing and Health Award 2021 from Chambers Ireland. In 2021, EduCampus worked remotely in response to the COVID-19 pandemic under our Business Continuity Plan.

While we have continued to operate successfully, we have planned our return to the office, and look forward to meeting our colleagues and clients face to face in 2022.

I wish to take this opportunity to extend my sincere gratitude to the EduCampus staff for their dedication and, also to acknowledge the support of the EduCampus Board.

EduCampus can only be successful and effective with the support of the Higher Education Authority, the Department of Education, the Department of Further and Higher Education Research Innovation and Skills, our client base, TUs, IOTs and their representative body, THEA.

Finally, I would like to express my gratitude to all stakeholders, and I look forward to continuing to work collaboratively to achieve our shared objectives.

Mr Patrick Naughton

Chief Executive, EduCampus Services DAC

Directors and Other Information

Members of the Board of Directors as at 31 December 2021

- Dr Joseph Ryan (Chairperson)
- Ms Mary Kerr
- Ms Sheena Duffy
- Professor Anne Scott
- Dr Aidan McGrath
- Mr David Smith
- Mr John Gill
(appointed February 2021)
- Mr Ronan Byrne
(appointed September 2021)
- Mr David Denieffe
(appointed November 2021)

Secretary and registered office

Ms Rhian Williams
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 DAC (EduCampus) 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 of Directors, comprised of nominees from the Institutes of Technology (IOTs), Technological Universities (TUs), the Universities, HEA and its parent company, HEAnet CLG.

EduCampus’ vision is to “Empower higher education through quality IT shared services”. EduCampus operates as a shared service that procures and provides business critical ICT application services and Management Information Systems (MIS) to the Higher Education and Research sectors in Ireland.

EduCampus acts as a broker for clients by engaging with relevant service providers in negotiating software licensing, application hosting and support agreements, in addition to providing implementation services and business operations support to the client base.

Any Higher Education establishment in Ireland may avail of services from EduCampus by becoming a member of the client community.

2021 proved to be yet another significant year of accomplishment for EduCampus. In addition to expanding the client base, implementing new contracts that harness innovative technology solutions, EduCampus has also led initiatives to support achieving delivery of single systems for the newly formed multi-campus Technological Universities. By the close of 2021, EduCampus is providing services to over 140,000 students, 20,000 staff across 4 Universities, 3 Technological Universities, 7 IOT’s, 3 Colleges and the Houses of Oireachtas.

Figure 1.1



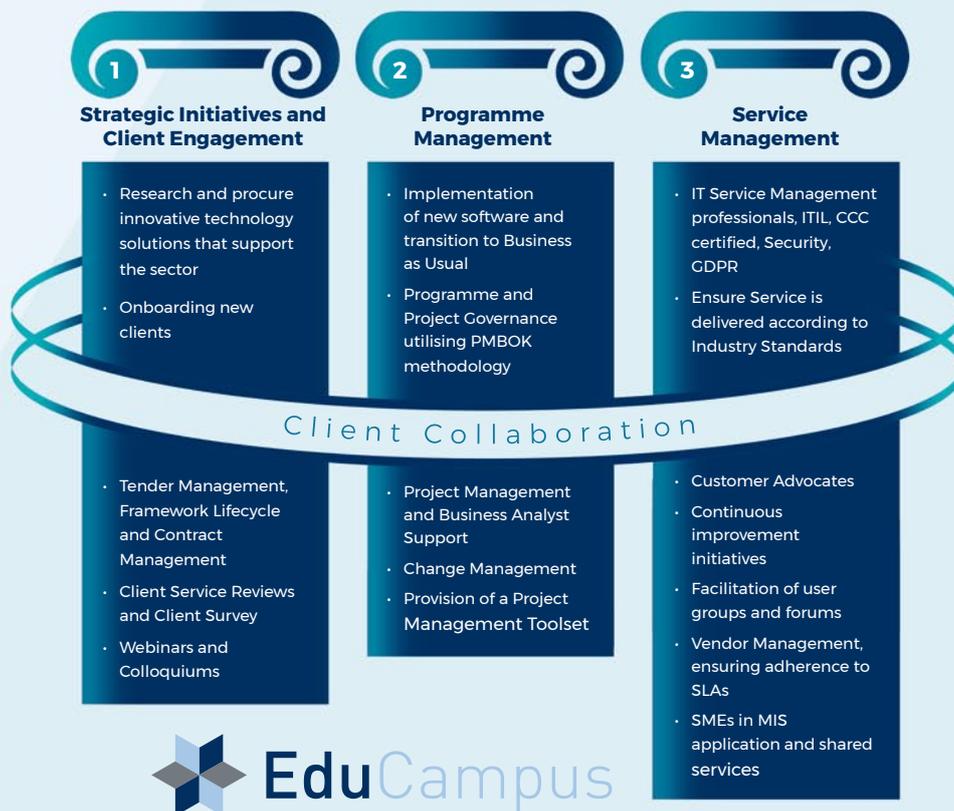
EduCampus continues to follow the strategic direction set out the Strategic Plan 2020-2024. Key to the successful delivery of this strategy is strong adherence to our core values of Accountability, Innovation, Excellence and Collaboration.

EduCampus engages closely with the leadership, the system users and the subject matter experts across the client community to ensure the services are aligned to achieve delivery of the overall strategy.

EduCampus Core Services

EduCampus operations are set out across three key functional areas; Strategic Initiatives & Client Engagement, Programme Management, and Service Management as detailed in the graphic below.

Figure 1.2





Portfolio of Applications

EduCampus’ current portfolio of applications comprises Student Management, HRM & Payroll, Finance, Library and Student Credentials as outlined in Figure 1.3 below.

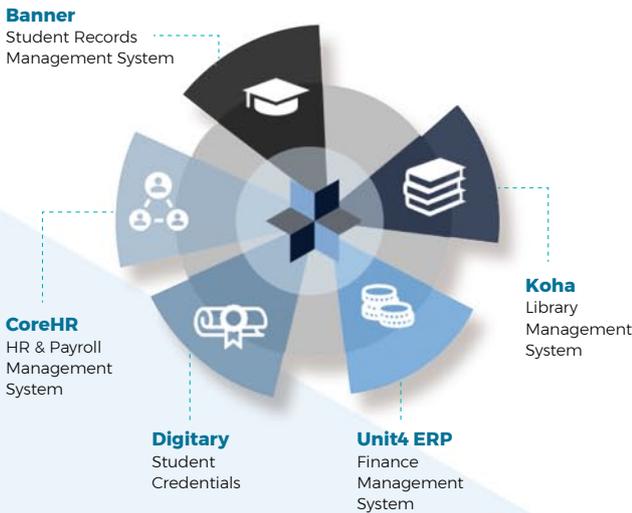


Figure 1.3

To deliver and maintain the optimal systems and services to clients, EduCampus has undertaken a programme of upgrades and/or replacement of each of the systems. This programme referred to as the MIS Refresh Programme has involved not only implementing new, up-to-date systems for use by the client community but also migrating these systems to new hosting environments in the Cloud and delivering additional functionality available on the enhanced systems. Figure 1.4 below shows the hosting and managed service providers for each of the systems provided by EduCampus as of 31 December 2021.

| Application | Managed Service Provider | Hosted |
|-----------------------------|--------------------------|-------------------------------------|
| HRM and Payroll | Access People | BT (Cloud) |
| Student Management System | DXC & Ellucian | AWS (Cloud) (migration in progress) |
| Financial Management System | Unit4 | Azure (Cloud) |
| Library Management System | Interleaf | AWS (Cloud) |
| Student Credentials System | Digitary | AWS (Cloud) |

Figure 1.4

HIGHLIGHTS FROM 2021

Expansion of EduCampus Client Community

During 2020, NUI Galway requested information from EduCampus on the availability of services under the recently signed Framework Agreement between EduCampus and DXC Technology and a formal engagement process was initiated.

In early 2021, EduCampus created an NUI Galway Engagement team led by the Chief Operating Officer which included Head of Client Engagement, Project Manager in Data & Information Systems and a Solutions Analyst. Key to this collaborative engagement was to ensure that EduCampus could facilitate delivering NUI Galway a platform that will integrate student systems and enhance the university’s ability to provide students with a digital pathway experience that will encompass the student journey from student recruitment to graduation.

EduCampus organised workshops, presentations, demonstration sessions and prepared required documentation on both supplier and EduCampus services. This culminated in the signing of a Client Services Agreement between EduCampus and NUI Galway, and an associated Call-Off-Contract between EduCampus and DXC Technology in June 2021. Furthermore, in July 2021, NUI Galway requested to drawdown on a second student supporting service from EduCampus, the Student Credentials System supplied by Digitary. This agreement was formally put in place on July 30th, 2021.

Both projects expedite NUI Galway in launching its Student Digital Pathways programme. In addition to providing project implementation services, the EduCampus and NUI Galway teams continue to meet regularly to ensure both student projects are on track and appropriate engagement is maintained as they continue the onboarding process.

Engagement and Partnership with Education Shared Business Services (ESBS)

EduCampus has been working in partnership with Education Shared Business Services (ESBS) since 2018. Through its Framework Agreement with Access Group, EduCampus provides the HR & Payroll system, along with ongoing support and management of the system, to the Higher Education Payroll Shared Service (HEPSS) and its service users ensuring maximum value to the sector.

This partnership has enabled ESBS to initiate the HEPSS proof-of-concept pilot project which, once validated, will pave the way for the consolidation of payroll processing across the HEI sector in Ireland.

In 2021, as part of this project implementation, EduCampus facilitated the successful onboarding of 4 HEI's; University College Cork, NUI Galway, and the University of Limerick as early adopters of the Higher Education Payroll Shared Service (HEPSS). In September, via EduCampus contractual arrangements, Royal Irish Academy also transitioned to the HEPSS shared environment. Throughout 2021, EduCampus has been involved in the execution of a range of significant strategic projects to implement and upgrade systems for HEPSS and its Service Users. Projects have included an upgrade of the HR & Payroll system to the latest version (XD) for TCD, as well as providing support to the XD upgrade projects for University Limerick (UL) and University College Cork (UCC) and management of the implementation of the Time & Attendance module for Trinity College Dublin (TCD).

EduCampus looks forward to maintaining the excellent working arrangement with ESBS and HEPSS in delivering a joint Shared Services agenda for the HEI sector in Ireland.

Client Survey 2021

Client Engagement is at the core of what EduCampus does, and with the view to continuously improve service offerings, the first Client Survey was circulated in November 2021. The purpose of the survey was to enable each member of the Client Community the opportunity to provide invaluable feedback on the performance and ensure EduCampus is accountable for the services it provides. EduCampus will conduct an analysis of findings in early 2022 and incorporate the findings into future delivery plans.

Client Support Initiatives

Throughout 2021, the EduCampus Service Delivery team continued to facilitate the weekly & fortnightly client meetings, established in response to the COVID-19 pandemic to facilitate clients in adapting to the usage of the MIS applications whilst working remotely.

These user group meetings have gone from strength to strength with both EduCampus and the clients finding these regular engagements invaluable. Over the course of 2021 a total of 149 meetings were held with the different system groups. Although client staff have largely returned to campus, EduCampus has retained this programme going forward under its client engagement initiative.

Wellbeing Awards 2021



EduCampus and HEAnet were recognised for two awards in 2021, the IBEC Keep Well Awards and the Chambers Ireland InBusiness Award for Best in Health and Wellbeing. Both awards recognise the company for its contribution and dedication to supporting the health and well-being of employees at work, which significantly contributes to the emotional, physical, mental health and well-being of staff in the workplace.

Technological Universities

The National Strategy for Higher Education to 2030, published in 2011, made recommendations for the transformation of the Higher Education sector through the creation of Technological Universities (TUs). The enactment of the Technological Universities Act, 2018, sets out the process whereby consortia of Institutes of Technology (IOT's) may apply for TU designation. By the end of 2021, three new Universities had been created (Technological University Dublin, Munster Technological University and Technological University of the Shannon) and two others were progressing through the designation process. EduCampus continues to fulfil a key role in supporting the IOTs as they transition to become Technological Universities by continuously working with all the TU's and TU designates to support them in achieving consolidated systems to underpin the ongoing operations of each University. More detail on each of the specific TU merger projects are included on page 13.

Security Update 2021

During 2021, The EduCampus Security Advisory Group (ESSAG) continued to operate as an advisory forum to the sector. It provides guidance on IT and data security relating to EduCampus application and system implementations, service delivery and upgrade projects that support the daily business and academic requirements of EduCampus client organisations.

Activities organised during the year included an application security review of the CoreHR system as well as the decommissioning of the security aspects of the applications previously hosted by DXC (CoreHR, Millennium etc.).

In addition, the ESSAG hosted the 'Ransomware in Focus: Challenges for Higher Education' webinar on 30th June 2021 with industry security experts, BSI, for the benefit of the Higher Education sector. The following topics were discussed during the webinar:

- What Ransomware is
- Tactics and Techniques
- Common Infection Methods
- Managing Security to Mitigate an Attack
- What to do if you have already been Infected

This Webinar was well received by the clients and the ESSAG will continue to seek opportunities to run similar activities in the future.

Information Governance

EduCampus play a central role in supporting best practice and data governance requirements in line with the General Data Protection Regulation (GDPR) and related privacy laws. EduCampus are committed to enshrining a culture of privacy protection internally while supporting and assisting clients in navigating complex GDPR questions as they pertain to EduCampus services.

A feature of 2021 related to data transfer rules. During the year, EduCampus focused efforts on supporting suppliers and clients with respect to developments in this area at EU level. A number of Supplier and Client Engagements helped progress requirements to address recent guidelines and recommendations of the European Data Protection Board in this developing area of compliance.

In addition to internal compliance, EduCampus continues to manage the data protection aspect of contracts underpinning each of the key applications. This has included data governance arrangements for client expansion as well as engagement and partnership activities during the course of the year.

APPLICATION AND PROJECT UPDATE

Student Records Management System

During 2021, EduCampus made further progress in delivering the MIS Refresh Programme. A key project within the programme is the upgrade of the Student Records Management System to the feature-rich, cloud-based Banner 9 solution, in partnership with DXC and Ellucian.

This project will deliver a range of new functionality and features that will enable a more streamlined process by reducing the current administrative burden on staff. The implementation of mobile-enabled technology will help streamline key administration tasks with a consistent technology offering across each site. Students will also benefit from a single sign-on self-service platform that enables them to complete their admission, registration, and fee payments as well as access grades as required from their mobile device.

In October 2021, EduCampus completed the solutions design stage of the project, having facilitated 21 workshops and feedback sessions with key stakeholders from across the client community. This process has delivered a system model identifying the optimised baseline configuration for the Higher Education sector in Ireland which will be flexible and extendable in response to the changing needs of current and future clients.

Letterkenny Institute of Technology (LYIT) was selected as the pilot site for implementation of the system, with the Institute of Technology Carlow (ITC) selected as the validation site. Both pilot and validation implementations commenced in Q4 2021 and are expected to be completed in early 2022. EduCampus have engaged with the remaining clients and a schedule for implementation has been agreed in a series of subsequent rollouts which will continue throughout 2022.

Financial Management System

Another key project within the MIS Refresh programme is the upgrade of the Financial Management system to the latest Unit4 ERP7 cloud-hosted solution. Having completed the upgrade in 2021, planning for phase 2 of the project has commenced which will deliver the additional features and functionality available in the system to the client base.

In June 2021, EduCampus signed a new contract under the existing Framework Agreement with Unit4 ensuring the continued provision and support of the ERP product deployed across the client community.

Student Credentials

In partnership with Digitary, EduCampus has introduced the 'Digitary Badge' functionality which provides a method to store and acknowledge non-standard forms of learning, such as micro credentials.

This new functionality facilitates learners in sharing proof of their learning outcomes acquired from short learning experiences. The 'badges' which are portable and may be combined into larger credentials or qualifications, are underpinned by quality assurance, following agreed standards. To date, EduCampus has successfully implemented Digitary Badges for one client, and the team are looking forward to engaging with others who have registered their interest in implementing the solution.

In addition, during 2021, EduCampus engaged with Digitary on behalf of University of Limerick to introduce several new document types, along with connector modifications, to UL's existing Digitary CORE instance. The outcome of the project is to further streamline the solution in place for the provision of credentials related documents to students and graduates.

Library Management System

The annual upgrade of the Koha Library Management System was successfully completed, by EduCampus, for all 13 Library instances across the Institutes and Technological Universities. These regular upgrades ensure the library instances are kept up-to date with the most recent Koha versions, ensuring clients have access to security updates, support, and new functionality.

eInvoicing

With the introduction of the European eInvoicing directive in 2019 all public bodies were required to facilitate the receipt and processing of electronic invoices in compliance with the European Standard (European Directive 2014/55/EU). EduCampus carried out extensive research and analysis on behalf of our clients to provide an eInvoicing shared-service solution that would ensure compliance with the European Standard (EN) for the then Institutes of Technology and deliver additional benefits with a fully automated integration into each clients' FMS. To achieve the overall objective of a fully compliant integrated solution, a phased approach was taken.

- **Phase 1** - Compliance
- **Phase 2** - Integration with the Finance Management System

Having successfully delivered the compliance phase of the project, EduCampus embarked on phase 2 of the project which will facilitate the automatic transfer of structured data received in eDocuments from third parties (e.g. suppliers) to the client's data processing environment (Unit4 ERP). To date this functionality has been successfully delivered for four Institutes and two Technological Universities. The full implementation for remaining clients will be completed in 2022.

HR Management & Payroll System

During 2021, the Programme Management team successfully led a project to facilitate the electronic recording of leave for all TCD employees. Delivery of this functionality provides a consolidated system-wide view for the TCD HR Team, Department Heads and Managers, allowing them to efficiently manage and track their teams' leave, absence requests and holiday entitlements.

EduCampus provided continued support to Education Shared Business Services (ESBS) regarding their Higher Educations Payroll Shared Service (HEPSS) project by facilitating the engagement with Royal Irish Academy and their onboarding onto the HEPSS shared environment in Q4 2021.

Furthermore, between August and November 2021, Educampus undertook a broad, multi-site programme of work to ensure that all client HRP systems were upgraded to the latest version of the product.

TU MERGER PROJECTS

As outlined under Key Highlights in 2021, EduCampus have been instrumental in supporting the Technological Universities in achieving their target of consolidated MIS systems, a crucial pillar in support of the operations of each University. Below are some of the key activities delivered to each of the specific TU entities.

TU Dublin Unification Project

EduCampus worked closely with TU Dublin throughout 2021 to facilitate them in unifying their MIS systems following their formation as a Technological University. In September 2021, EduCampus completed the implementation of a unified Financial Management System for TU Dublin. A similar project was launched during 2021, to implement a unified HRM & Payroll (HRP) system and this unified system was successfully completed in January 2022. Also, during 2021, EduCampus commenced engagement with TU Dublin to prepare and progress an approach to deliver a new single unified Student Records Management System (SRMS) and to de-risk the existing three SRMS system instances used by TU Dublin.

Munster Technological University Merger Project

Munster Technological University (MTU) was established on 1 January 2021. In early 2021, EduCampus completed projects to merge their cloud-based Financial Management System (FMS) and HRM & Payroll (HRP) systems and MTU is now operating a single instance of each key system in support of their new university.

TU of the Shannon (TUS): Midlands Midwest Consortium Merger Projects

The Technological University of the Shannon: Midlands Midwest (formerly Athlone IT and Limerick IT) was established on 1 October 2021. EduCampus completed the merger of the Technological University of the Shannon's FMS systems in October 2021 and implemented the necessary changes to the HRM & Payroll systems to facilitate the operation of the new TU from their designation date.

Atlantic Technological University (ATU) Merger Projects

The Atlantic Technological University (formerly Sligo IT, LYIT & GMIT) will be formally designated as a TU on 1 April 2022. During 2021, the governance structures were established under the EduCampus project governance model, to facilitate the planning and implementation of the projects required to merge their MIS systems. The primary focus to date has been on planning for the changes necessary to the existing Atlantic TU systems to facilitate ongoing operations of the new TU following designation. The projects to merge the Atlantic TU MIS will be planned, in collaboration with the TU, for completion following their designation date.

South East Technological University (SETU) Merger Projects

South East Technological University (formerly IT Carlow & Waterford IT) is expected to receive technological university designation in May 2022. The University has identified the Finance Management System (FMS) as their key priority for consolidation in the first instance. This implementation commenced in November 2021 and is scheduled to complete in May 2022. In addition, work has commenced on planning for the changes necessary to the existing SETU systems to facilitate ongoing operations of the new TU following designation.





ACHIEVEMENTS AND PERFORMANCE

In addition to the ongoing activities and key highlights outlined above, some key statistics are set out below, demonstrating EduCampus’ high level of engagement, leadership, support, and collaboration over the course of 2021 in delivering service excellence and quality to the client community.

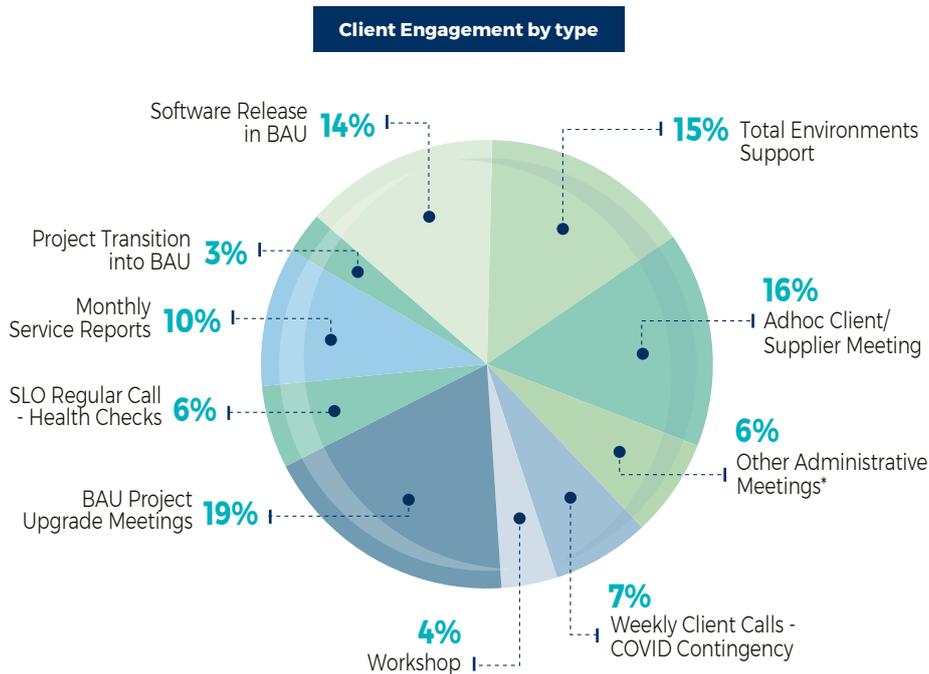
This year was characterised by significant engagement with TUs and TU Consortia working towards delivering single enterprise systems for the new universities.

EduCampus maintained strong relationships with the user community and there was continuous analysis of client requirements resulting in the execution of new contracts enhancing innovation and the use of cutting-edge technology across the sector. In addition, EduCampus continued to manage the end-to-end relationships with suppliers ensuring effective adherence to their contractual obligations and best practices.

Figure 1.5



Figure 1.6



* User Group & Committee Meetings, National User Group, Advisory Group, Training, Transition Meetings, Client Service Review Meetings, Maintenance Patches in BAU, Onboarding New Client Presentations and Introductions

PLANS FOR THE FUTURE

EduCampus will continue to deliver on its strategic commitments over the coming years.

Continuing its commitment to providing modern platforms, software and applications to support the ongoing needs of its client community, EduCampus enables innovation across the sector by harnessing new and emerging concepts to support the Higher Education and Research sectors in Ireland.

Building on the momentum established under the MIS Refresh programme and the commitment to modernise all systems in the portfolio, EduCampus will complete the roll out of the Banner 9 Student Record Management System (SRMS) across the client base. This will complete the transition to cloud hosted systems across the full portfolio of applications. Having modernised each system EduCampus will continue to ensure that they are maintained to the most up to date versions while also implementing additional functionality available under each of the Framework Agreements.

Adapting to the changing needs of the ever-expanding client base, EduCampus will continue to provide transformational leadership to the sector by leveraging advances in cloud technology to support the clients' digital objectives, as well as through its provision of implementation services to facilitate the creation of unified systems that are fit for purpose for each of the newly formed Technological Universities as they move from designation through to full operation.

EduCampus will continue to engage at all levels across the Higher Education and Research Sectors to identify opportunities for delivery of new systems and introduction of new services. In carrying out its projects, EduCampus operates collaboratively, partnering with key representatives of the client community, who are engaged at all stages of implementation to ensure the solutions delivered meet with clients' objectives of delivering excellence in teaching and research.

Ensuring continued organisational capacity to deliver on its commitments to all clients is a key objective for the future. EduCampus will continue to engage with funding agencies to ensure their ongoing support for the work that EduCampus does as a strategic partner to the sector.

Interest in EduCampus' services from the wider Higher Education and Research Sectors in Ireland continues to be significant. Since its establishment, EduCampus has welcomed seven new higher education or research institutions as clients. These have availed of a range of services including the HRM & Payroll System, the Student Credentials System, the Library Management System and the Student Records Management System. EduCampus will continue to engage with the sector and continue to expand its client base as demand arises.

EduCampus has always strived for efficiencies in the shared services that it delivers & in all contract negotiations, ensuring value for money to the sector and the exchequer.

EduCampus will continue to foster a positive work experience for employees and demonstrate its commitment to the wellbeing of staff through its involvement in the IBEC KeepWell programme.

Principal risks and uncertainties

The Directors consider the major risks facing Educampus and risk management is a standing agenda item at meetings of the Group Audit and Risk Committee throughout the year. There is a corporate risk register that identifies and classifies risks into one of seven 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 risk categories as defined by the Board are:

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

Risks of insufficient funding

Educampus relies on State grant funding for the bulk of its operational and project related expenditure and is currently engaged in a number of significant projects supporting clients across the higher education sector. There is a risk that strategic objectives cannot be achieved without continued, reliable support from stakeholders within the Government Departments that provide the company's funding.

The nature of the business is that a large proportion of operational expenditure is committed to multi-annual service contracts with a number of key vendors.

The Educampus Board and executive continue to engage in productive conversations with funding partners to ensure that the company receives the support needed to achieve its strategic aims.

Within the business continuity and reputational categories there are risks relating to disruption due to cyber-risks

The directors consider the risk of cyber-attack, including but not limited to a ransomware attack, to be high priority for the company. This follows recent high profile cyber-attacks within the education and research sector, as well as other high-profile targets within the wider public sector and globally. The impact could be manifested as data loss or exfiltration, reputational or financial loss, or an inability to serve the needs of the community that depend on the company's services.

The rising inflationary environment

The current inflationary spike being experienced is likely to increase pressure on funding needs in 2022 and beyond, and this may be felt most severely in wage pressure potentially affecting staff retention and recruitment, and in energy costs although this is a relatively small operational expense for Educampus.

The impact to the business of the COVID-19 global pandemic

While the pandemic has not yet gone away, it is with some relief that the executive embraces a return to some degree of normality after the disruption experienced during the last two years. Technically, the business has adapted very well to remote working technologies and for the most part it has been possible to continue to carry out normal business operations remotely. A pilot 'return to office' programme is underway in 2022 and the executive continues to monitor the risk that at any time one or a number of key staff could take absence due to sick leave, with knock-on impact on services.

The war in Ukraine

The directors, like most people, are monitoring the situation in Ukraine with revulsion and grave concern for the Ukrainian people. There is no direct implication on Educampus as a result other than an awareness of how the war may affect inflation and the Government's finances although the situation will continue to be monitored closely.

Long term financial risks and commitments

EduCampus has in place processes to review the financial implications and risks arising out of the group's long-term contractual commitments for all major funded project activity. This is a standing agenda item at the annual budget setting meeting of the finance sub-committee.

FINANCIAL REVIEW

The directors are pleased to report that turnover increased by approximately 29% compared to the prior year as the number of clients availing of Educampus services increased, and major projects were progressed on the MIS Refresh programme and in supporting the establishment of the technological universities. The turnover for the year ending 31 December 2021 was €19,270,418 (2020: €14,967,403).

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

The majority of income continues to be earned from State grant funding, and in 2021 €13,679,148 (2020: €11,856,776) of grants were recognised in income. The majority of State grant funding is received from the Department of Education, and this is booked as a deferred grant and recognised as income in the profit and loss in line with the costs for which it is expected to compensate.

There was significant growth in income earned from existing and new clients and this saw an 80% increase year on year to €5,590,049 (2020: €3,109,985). The client base includes the technological universities, universities, and institutes of technology and income that is recouped from clients is also recognised in line with the costs incurred in relation to providing services to the client.

The company operates on a cost recovery basis, so no surplus or deficit is earned on normal operations.

EduCampus Services DAC has processes 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 its shareholders.

Closing balance sheet position at end of year

The total assets at year-end amounted to €11,090,070 (2020: €8,359,503) which was an increase of €2,730,567 compared to the previous year. The value of fixed assets is down to €11,138 (2020: €33,952) and this is mostly in the category of leasehold improvement so will be amortised over the remainder of the lease term to 2025. The entire movement in fixed assets is accounted for by a full year depreciation charge of €22,814 (2020: €72,403) and there were no other additions or disposals during the year.

The cash balance is €5,088,769 (2020: €5,546,958), a decrease of approx. €0.5M although there is a larger grant receivable in debtors compared to the prior year at €1,312,130 (2020: €451,826). This grant receivable is a portion of the core operational State grant. Trade debtors increased to €1,872,301 (2020: €479,499) and this reflects the growth in client numbers and income. There is no provision for impairment against trade debtors recognised in the accounts.

Within creditors, the main movement was an increase in accrued costs to €3,595,496 (2020: €2,403,619) and this mainly comprises progress recognised on project related costs in advance of supplier invoicing. There are total deferred grants available of €3,597,436 (2020: €3,101,648), and the increase year on year relates to a surplus on the grant received in 2021 and the timing of expenses being recognised.

At 31 December 2021 there are reserves of €1,377,076 which is no change compared to the prior year. A total of €1,000,000 has been transferred to a designated reserve within unrestricted reserves to be ring-fenced for expenditure on the MIS project in future years. There was no movement in designated reserves, and no other designated reserves created. The remaining €377,076 is to remain in unrestricted reserves.

The group does not have any loans or other borrowings outstanding (2020: €0M).

Key performance indicators

| Key Performance Indicators for EduCampus Services DAC | 2021 | 2020 |
|---|-------|--------|
| Project expenditure/ total expenditure | 32% | 20.12% |
| Payroll cost/total cost | 20% | 17.1% |
| Staff turnover in % | 11% | 0% |
| Training days per staff member per year | 1.5 | 1.5 |
| Cash reserves | €5.1M | €5.55M |
| Number of clients | 20 | 20 |
| Average number of employees | 27.98 | 23.7 |

Figure 1.7

STRUCTURE, GOVERNANCE AND MANAGEMENT

Introduction

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

The organisation is a Designated Activity Company (DAC) 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). As a registered charity, EduCampus complies with the Charities Act 2009, makes an annual return to the Charities Regulator and files annual financial statements, and adheres to the Charities Governance Code.

EduCampus is governed by the Companies Act 2014 and the specific legal obligations set out in the legislation.

The Board of Directors of EduCampus are committed to best practice corporate governance and comply with the Code of Practice for the Governance of State Bodies as far as practical and possible.

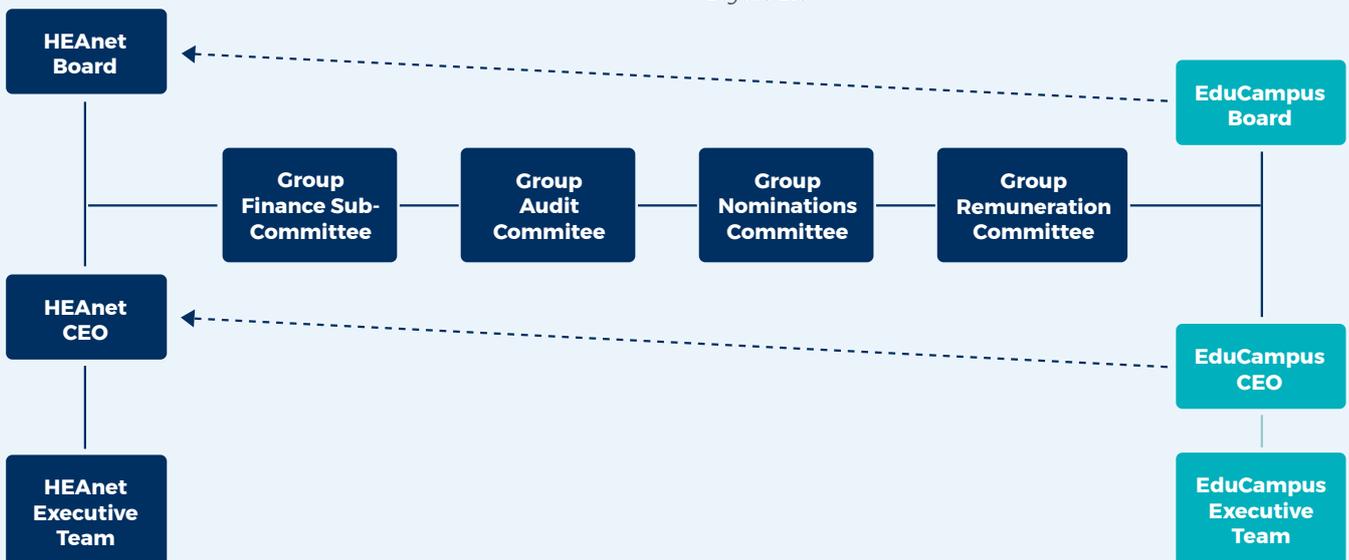
The Board of Directors are collectively responsible for promoting the success of the company by leading and directing their activities. The Board provide strategic guidance to the organisation, monitor and reviews its own activities, and the effectiveness of management.

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

Directors are appointed for a term of four years and may be re-appointed for a second term of four years. However, they may not be appointed for more than two consecutive terms of four years, at the end of which 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 Boards of HEAnet and EduCampus share group committees. The group governance structure is illustrated as follows:

Figure 1.8



The Group Nomination Committee will work with the HEAnet and EduCampus Boards to maintain and support diversity, inclusion and gender balance on the Boards and its group committees in 2022.

1. EduCampus Board of Directors

As per its Constitution, a minimum of four directors and a maximum of twelve directors serve on the EduCampus Board, 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. The Chairperson of the Board of Directors of HEAnet and the Chief Executive of HEAnet serve as ex-officio directors on the Board of EduCampus.

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

The directors of EduCampus who served during the financial year ended 31st December 2021:

| Name | Resigned/Retired | Appointed |
|------------------------|------------------|------------|
| Mr Ronan Byrne | | Sept. 2021 |
| Mr David Denieffe | | Nov. 2021 |
| Ms Sheena Duffy | | |
| Mr John Gill | | Feb. 2021 |
| Ms Mary Kerr | | |
| Ms Barbara McConalogue | Dec. 2021 | |
| Dr Aidan McGrath | | |
| Professor Mike Murphy | Sept. 2021 | |
| Ms Kerrie Power | May 2021 | |
| Dr Joseph Ryan (Chair) | | |
| Professor Anne Scott | | |
| Mr David Smith | | |

As at 31 December 2021, the EduCampus Board had three (3) / 33% female and six (6) / 67% male members². As per the EduCampus Constitution, a maximum of 12 directors may be appointed to the Board³.

The Board is guided by the Government target of a minimum of 40% representation of each gender in its membership and unfortunately fell below the minimum representation due to the resignation of a female director during the month of December⁴.

Board Responsibilities

The EduCampus Board met five times during 2021 - in February, March, April, September, and December.

All meetings were held online during the year due to the Covid-19 pandemic.

The work and responsibilities of the Board are set out in⁵:

- The EduCampus Board Charter
- The Schedule of Reserved Functions which also contains the matters specifically reserved for Board Decisions
- The HEAnet Group Code of Business Conduct for Directors & Employees

² Code of Practice for the Governance of State Bodies – Annex on Gender Balance, Diversity & Inclusion - Code Provision 2.6

³ EduCampus Constitution - Article 46.

⁴ As per guide for State Boards in the Code of Practice for the Governance of State Bodies.

⁵ Code of Practice for the Governance of State Bodies - Business & Financial Reporting Requirements Section 1.3 - "The Annual Report and Financial statements to include a statement of how the Board operates, including a statement of types of decisions to be taken by the Board and to be delegated to management."



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

- Report from the Chief Executive Officer
- Report from the Chief Executive Officer of the parent HEAnet (biannually)
- Declaration of interests
- Reports from group committees
- Financial reporting and budgeting
- Corporate Governance

As in most companies, the Covid-19 pandemic challenged EduCampus to consider new ways of working. The facility to hold Board and Committee meetings online ensured that strategic oversight and corporate governance continued effectively. The impact of the pandemic on the business and the well-being of employees were high on agenda of the Board.

In addition to its usual oversight of company matters, the Board focused on the following major activities in 2021:

- Approved the EduCampus audited statutory accounts for financial year ending 31st December 2020 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 the EduCampus CEO and Operations update reports.
- Discussed and approved major contracts.
- Reviewed the EduCampus Board-level Risk Register and risk management approach.
- Received and discussed quarterly and annual reports from the Group Audit & Risk Committee.
- Considered and approved the company budget for the period 2021 to 2023.
- Update on data protection, compliance and group policies by the EduCampus Data Protection officer and People Operations Director in March 2021.
- Mr Ronan Byrne, HEAnet CEO presented a strategic update on the work undertaken by HEAnet during 2021 to the EduCampus Board at its December meeting⁶.
- Met with the professional pension Trustee of the HEAnet Group Pension Plan to discuss and review the Trustee Annual Report for the period 1 September 2019 to 31 August 2020.

Corporate Governance

Governance Codes

Code of Practice for the Governance of State Bodies

A gap analysis exercise to ascertain Edu Campus’s compliance with the Code of Practice for the Governance of State Bodies was completed in November 2021 and reviewed by the Board at the December meeting.

The exercise reviewed compliance with 246 code provisions and identified an increase in full compliance to 72%/178 code provisions (2019: 48%/114 code provisions).

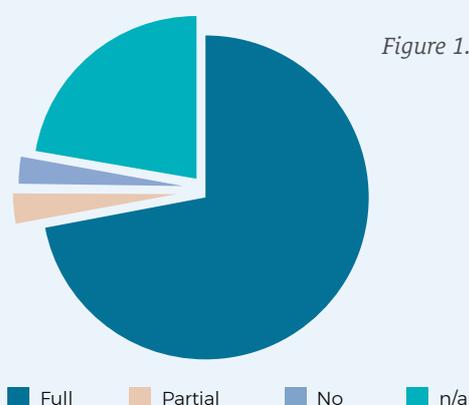


Figure 1.9

As EduCampus is a company incorporated under the Companies Act 2014, it is acknowledged ... *“The provisions of this Code do not override existing statutory requirements and other obligations imposed by the Companies Act 2014... or any other relevant legislation⁷.”*

As part of the exercise to update the gap analysis, there was extensive communication with the Department of Education (DoE) on HEAnet and EduCampus’s compliance with the Code of Practice, and this contributed to the process to finalise the Business Performance & Delivery Agreement between the Department of Education, Department of Further & Higher Education, Research, Innovation & Science (DFHERIS), HEAnet and EduCampus.

The Business Performance & Delivery Agreement was formally agreed by both Boards⁸ and signed by all parties by December 2021.

⁶ The HEAnet CEO update to the EduCampus Board will be a biannual standing agenda item.

⁷ Code of Practice for the Governance of State Bodies, page 6.

⁸ Business Performance & Delivery Agreement was approved by the EduCampus Board at its meeting in December 2021.

Charities Governance Code

During the year, the Board and executive worked to ensure continued compliance with the Charities Governance Code.

During 2021, EduCampus Directors updated the Charities Governance Code Compliance Form and approved the Compliance Form at the December Board meeting. A copy of the Compliance Form is available on the company's website.

EduCampus confirms its compliance with the Charities Governance Code in 2021.

Strategy

HEAnet Group Strategy

The EduCampus Board approved the HEAnet Group Strategy at its April 2020 meeting, and the HEAnet Board at its May 2020 meeting. Both Boards acknowledge that the Group Strategy will enable HEAnet and EduCampus to move into new areas of collaborative work.

Work will continue during 2022 to develop and implement group objectives.

EduCampus Strategy

The EduCampus Strategy 2020-2024 was formally approved by the EduCampus Board at its April 2020 meeting and sets out the company's ambition to realise the vision to empower higher education through quality IT Shared Services.

https://www.educampus.ie/sites/default/files/user_media/publications/EduCampus%20Strategic%20Plan%202020.pdf



Risk Management

Risk management and control functions are overseen by the Group Audit & Risk Committee.

A board-level risk register is actively maintained in each company and is reviewed at each quarterly Committee meeting during the year to ensure new risks are identified and expended risks deleted. The Board receives quarterly updates from the Committee on risk management in its respective company and approves updates as required.

In addition, corporate-level risk registers are supported by function risk registers and team risk registers within the company and are reviewed on a regular basis by the executive.

The Group Risk Management Policy ensures that the two companies are equipped to monitor and manage key risks in line with good practice. The policy is intended to support compliance with the Code of Practice for the Governance of State Bodies (2016).

As HEAnet and EduCampus operate within a group structure, it is appropriate that there is a common approach to risk management and the HEAnet Group Risk Appetite⁹ statement is as follows:

As public interest organisations, HEAnet Group companies seek to mitigate risk as far as possible. It is recognised, however, that to successfully achieve their core missions, both companies must be prepared to accept some risk and avail of opportunities where the potential reward justifies the acceptance of a certain level of additional risk.

Procurement

As a publicly funded company, EduCampus adheres to national and EU rules governing public procurement.

Office of Government Procurement (OGP) frameworks are utilised extensively as required.

⁹ *The Orange Book: Management of Risk: Principles and Concepts - Risk appetite refers to "the amount of risk that an organisation is prepared to accept, tolerate, or be exposed to at any point in time".*



2. HEAnet Group Committees

HEAnet and EduCampus share the following group committees:

Group Audit & Risk Committee¹⁰

The purpose of the Group Audit & Risk Committee (GARC) is to assist and, where relevant, make recommendations to the Boards of HEAnet and EduCampus on the discharging of their responsibilities as they relate to:

- external and internal audits,
- 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. The GARC agrees an internal audit plan for a rolling three-year period. The internal auditors undertake an annual System of Internal Financial Control Audit and other risk-based audits that focus on key business areas identified in the Risk Registers.

During 2021, the Committee met on four occasions and considered the following matters:

- Reviewed the audited annual statutory accounts for the period ending 31st December 2021 and met with the external auditors.
- Reviewed the risk management framework, including the risk appetite statement, risk management policy and risk registers over the course of its four meetings and reported to both Boards on its findings and recommendations at year-end.
- Against the background of recent ransomware attacks on the HSE and client institutions, cyber security risk management was discussed at the August Committee meeting, including the recommendations and approach adopted by the National Cyber Security Centre and the requirement to secure funding on a group basis. Both companies recognise that collaboration on cyber security preparedness is paramount to ensure enhanced awareness across the education sector. At the November meeting, a Group Report on Security Framework and Business Continuity Plan was presented by Mr Brian Boyle, Technical Services Director, HEAnet and Ms Beth Doherty, Service Management Director, EduCampus.

- The Committee reviewed and agreed the Internal Audit Plan 2021-2023.
- The Internal Audits scheduled for 2021 took place in Q3 but the reports were not finalised in time for the November 2021 Committee meeting and subsequently were presented by Internal Auditors at the February 2022 meeting.
- Following the Committee discussion on the C&AG publication: “OCAG insights: The impact of Covid-19 on your control environment” at the November 2020 meeting, a paper on the HEAnet & EduCampus updates to the control environment in respect of Covid-19 was tabled at the August Committee meeting. The report focused on office IT, people operations and finance, which were the functions that experienced significant disruption considering the pandemic. The Committee agreed that the report was comprehensive and provided a good level of assurance in respect of internal controls.
- As part of the Assurance Development Process, the Internal Controls Questionnaire completed by the CEO in each organisation was reviewed and allowed the Committee to evaluate internal controls across a broad range of areas.
- The Committee commissioned a new Group Anti-fraud Management Policy in 2020 to ensure the effectiveness of fraud management in HEAnet and EduCampus as described in the Code of Practice for the Governance of State Bodies (2016). The Board of HEAnet approved the group policy in March 2021 and it was adopted by the EduCampus Board at its meeting in April 2021. In addition, a Group Protected Disclosure Policy was introduced and approved by the HEAnet Board at its May 2021 meeting and adopted by the EduCampus Board at its September 2021 meeting.

¹⁰ Code of Practice for the Governance of State Bodies - Section 7.2 “establishing an Audit and Risk Committee to give an independent view in relation to risks and risk management systems;”

Members of the Group Audit & Risk Committee:

EduCampus:

- Ms Mary Kerr

HEAnet:

- Dr Billy Bennett
- Dr Gerard Culley
- Dr Michael O'Malley
(Ordinary member Maynooth University)
- Ms Dearbhla O'Reilly - Chairperson

Group Finance Sub-Committee

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

The Group Finance Sub-committee met on four occasions during 2021 and considered the following matters:

- Reviewed the quarterly financial and non-financial metrics, management financial statements and considered the general financial state of HEAnet and EduCampus.
- Reviewed the HEAnet and EduCampus audited statutory accounts for year ending 31st December 2021.
- Reviewed and approved the HEAnet budget for the period 2021 to 2023, and EduCampus budget for 2021 to 2023, 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 2022.
- Reviewed HEAnet and EduCampus's reserves statements.

Members of the Group Finance Sub-Committee:

EduCampus:

- Professor Mike Murphy
(EduCampus Directorship completed September 2021)

HEAnet:

- Ms Sheena Duffy
(second three-year term completed in May 2021)
- Ms Rosemary Fogarty - Chairperson
- Ms Colette McKenna
- Professor Anne Scott
- Professor Mike Murphy
(appointed as a HEAnet committee nominee December 2021)

Group Remuneration Committee

The Group 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 and make recommendations to the respective Boards.

Members of the Group Remuneration Committee:

HEAnet Remuneration Committee:

- Professor Anne Scott,
Chairperson of the HEAnet Board of Directors
- Ms Dearbhla O'Reilly,
Chairperson of the Group Audit & Risk Committee
- Ms Sheena Duffy,
Member of the Group Finance Sub-Committee

EduCampus Remuneration Committee:

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

- Dr Joseph Ryan,
Chairperson of EduCampus Board of Directors
- Ms Kerrie Power,
HEAnet CEO (resigned May 2021)

Joint Implementation Steering Group

During the first half of 2020, the HEAnet Board reviewed progress to implement the December 2018 Deloitte Governance Review Report's recommendations.

In particular, they reviewed progress to implement option 1 "to enhance the current group structure".

As reported in last year's Annual Report, Mr Tom Boland, BH Associates, was appointed in June 2020 to conduct a review of progress to implement governance recommendations from the Deloitte Governance Review Report (December 2018) and advise the HEAnet Board on further processes and structures to enhance transparency and accountability in the Group.

Mr Boland consulted with a wide range of stakeholders as part of the review, including representatives of the HEAnet and EduCampus Boards of Directors and executive, the Department of Education, and several representatives from client bodies.

In his report Mr Boland observed:

"Ireland's capacity to be successful nationally and in global higher education and research depends upon being digitally smart and innovative, developing next-generation tools and a national education platform and an open ecosystem across education, research and engagement. In addressing these challenges HEAnet and EduCampus occupy a central place. The need for close and effective working relationships could not be greater."

The review concluded that a merger of the two companies was not the optimal solution at this time. He proposed twelve recommendations to enhance clarity in operationalising the parent/subsidiary relationship and achieve a fully coordinated operational model between the companies. These were based on the clearest possible understanding of roles, responsibilities and accountabilities, mutual respect, and trust.

The Boland Governance Review Report was accepted by the HEAnet Board in July 2020 and following a joint meeting of the HEAnet and EduCampus Boards in November, the EduCampus Board committed "to work constructively and collaboratively with the Board of HEAnet to implement them as fully as practicable, with the objective of ensuring the highest standards of corporate governance in both entities."

The Boards agreed the establishment of a Joint Implementation Steering Group (JISG) and meetings commenced in November 2020, with representation from each Board and the Chief Executives of each company, to progress the implementation of the twelve recommendations. JISG met eleven times between November 2020 and October 2021.

The following are members of the Joint Implementation Steering Group:

EduCampus:

- Dr Joseph Ryan, Chairperson, EduCampus Board of Directors
- Ms Barbara McConalogue, EduCampus Director
- Dr Aidan McGrath, EduCampus Director
- Mr Paddy Naughton, Chief Executive, EduCampus

HEAnet:

- Professor Anne Scott, Chairperson, HEAnet Board of Directors (JISG Chair)
- Mr Patrick Magee, HEAnet Director
- Mr Ronan Byrne, Chief Executive, HEAnet (Ms Kerrie Power prior to May 2021)
- Dr Paul Feldman, HEAnet Director

Seven recommendations were completed and integrated during 2021, and two recommendations progressed in early 2022.

There are three recommendations which remain outstanding and are deemed beyond the control of the JISG to implement:

- Recommendation 1:
The same person should chair both boards.
- Recommendation 5:
Funding for both companies should be made by the Department of Education to HEAnet.
- Recommendation 12:
The composition of the Boards of both companies should be reviewed.

The implementation of Recommendations 1 and 12 are being progressed via the Group Nomination Committee, whilst Recommendation 5 on funding is dependent on a decision by the Department of Education.

Given the current status of implementation and integrating of the various Boland Recommendations, the HEAnet and EduCampus Boards of Directors agreed at year end that the JISG should be stood down as its work was considered completed.

Group Nomination Committee

The Group Nomination Committee's Terms of Reference was updated and approved at the HEAnet Board meeting in March 2021 and will play a key role in reviewing the composition of both Boards in light of the recommendations from the original Deloitte Governance Report and the more recent recommendations from the Boland Governance Progress Report.

The Group Nomination Committee met three times during 2021.

Members of the Group Nomination Committee:

EduCampus:

- Mr John Gill
(appointed September 2021)

HEAnet:

- Ms Sheena Duffy
(appointed November 2021)
- Dr Orla Flynn
(appointed September 2021)
- Mr Patrick Magee, Chairperson
(appointed September 2021)
- Professor Noel O'Connor
(appointed September 2021)



3. Induction and Training for Directors

Newly appointed directors receive guidance and information on their duties as directors and are given an introduction to corporate governance by the Company Secretary on their appointment.

4. Board and Sub-Committee Attendance and Expenses

HEAnet and EduCampus directorships are on a pro-bono basis, as stipulated in each company's Constitution.

Travel costs and expenses incurred by directors in connection with the business of the company are reimbursed in accordance with the rates approved by the Minister for Public Expenditure and Reform. The expenses paid to EduCampus Board directors during 2021 was €nil.

The attendance of directors at EduCampus Board and committee meetings during 2021 is noted below:

Meetings Attended 2021

| EduCampus | EduCampus Board Meeting | Group Audit & Risk Committee | Group Finance Sub-Committee | Group Nomination Committee |
|------------------------|-------------------------|------------------------------|-----------------------------|----------------------------|
| Mr Ronan Byrne | 2/2 | | | |
| Mr David Denieffe | 1/1 | | | |
| Ms Sheena Duffy | 5/5 | | | |
| Mr John Gill | 4/5 | | | 3/3 |
| Ms Mary Kerr | 4/5 | 4/4 | | |
| Ms Barbara McConalogue | 3/5 | | | |
| Dr Aidan McGrath | 5/5 | | | |
| Professor Mike Murphy | 4/4 | | 3/3 | |
| Ms Kerrie Power | 3/3 | | | |
| Dr Joseph Ryan | 5/5 | | | |
| Professor Anne Scott | 5/5 | | | |
| Mr David Smith | 5/5 | | | |

Figure 2.0

REFERENCE AND ADMINISTRATIVE DETAILS

Ordinary Members

The ordinary members of EduCampus are:

| | |
|-------------------------------|------------------------|
| • Mr James Fennell | 1 share |
| • HEAnet CLG | 92 shares |
| • Ms Barbara McConalogue | 1 share |
| • Dr Joseph Ryan | 1 share |
| • Mr Thomas Stone | 1 share |
| • Ms Rhian Williams | 1 share |
| • Company Management Services | 3 shares held in trust |

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 2021.

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 Group Finance Sub-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 Group Audit & Risk 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 2021.

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

The Board is responsible for ensuring that EduCampus 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.

Employee Short-Term Benefits Breakdown

The Code requires that the State bodies provide information concerning short-term employee benefits in relation to services rendered during the reporting period where those benefits exceed the threshold of €60,000 - the data 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 8 in the Financial Statements.

Termination / Severance Payments and Agreements

There were no termination or severance payments made in 2021 (2020: €Nil).

Disclosure of Key Management Personnel Compensation

The disclosure of key management personnel compensation is detailed in the financial statements in note 8.

Legal Costs and Settlements

There were no costs relating to fees for legal proceedings or settlements in 2021. 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:

| | 2021 | 2020 |
|--------------------------------|----------------|-----------------|
| Legal | €15,608 | €50,468 |
| Tax and Financial advisory | €42,092 | €12,262 |
| Public relations and Marketing | - | - |
| Pension and Human resources | - | - |
| Consultancy other | €13,356 | €43,753 |
| Total | €71,056 | €106,483 |

Travel and Subsistence and Hospitality Expenditure

Travel and subsistence and hospitality expenditure are categorised as follows:

| | 2021 | 2020 |
|----------------------|---------------|----------------|
| National Travel | - | €9,961 |
| International Travel | - | €1,785 |
| Hospitality | €2,132 | €9,949 |
| Total | €2,132 | €21,695 |

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 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.

Events since the End of the Financial Period

There were no significant events which occurred between 31 December 2021 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 2021.

Research and Development

The company did not engage in research and development activities during the period ended to 31 December 2021.

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

Professor Anne Scott

5 May 2022

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

The EduCampus 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 and the Board of Directors
- 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 and Risk 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 and Risk 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 and Risk 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 the three-year 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 including the three-year internal audit plan is prepared having regard to the EduCampus risk register. The risk register is reviewed at every meeting of the Audit and Risk Committee, and the outcome of the discussion of risk at the Audit and Risk Committee is reported at each Board meeting. The Audit and Risk Committee met the external auditor in closed session in April 2021 and met the internal auditor in closed session in February 2022. The external auditor also presented at a Board meeting in May 2021.

The EduCampus internal audit service in 2021 was provided on an outsourced basis by Mazars LLP under a contract awarded in 2019 under an OGP framework. At a minimum, the internal audit work programme always includes a review 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 2021 two targeted internal audit reviews took place.



Review of the system of internal financial controls

This review took place during May 2021 and the final report was presented to the Audit and Risk Committee by the internal auditor in February 2022.

Project management review

The outcome of the review was that “audit results indicate that reasonable assurance can be placed on the adequacy and operating effectiveness of internal controls”

- Defined project management methodologies are in place and applied within EduCampus.; i.e. what activities should be managed as a project in line with project management methodologies.
- Appropriate levels of approvals are required by the Senior Management Team and the Board prior to the commencement of a project and an appropriate governance and reporting structure is in place to manage the implementation of the projects
- Roles and responsibilities of the resources allocated for project management and oversight within EduCampus are clearly defined and communicated.
- Completeness of documented project management policies and procedures.
- Defined criteria in place to determine what projects require contracts / Service Level Agreements (SLA) with suppliers and what projects require a dedicated EduCampus Project Manager.
- A project business case, project plan, budget, resources required, associated risks, timelines (project lifecycle) and milestones are in place and have been approved at the appropriate levels in EduCampus prior to commencement of a project.
- Adequate escalation procedures in place to notify management of unforeseen delays in projects.
- Evidence of application of project management procedures including ongoing monitoring and review of progress against timelines and budget, including reporting structures in place to report on project progress, issues and risks.
- Evidence of use of suitable performance-based reporting (“key performance indicators”/“KPI’s”) to assist in the monitoring and implementation of the project.
- An adequate risk management process has been established for recording new issues and risks as they arise and for managing the resolution of the issues identified.
- Lessons learned reporting / post-project evaluation / return on investments has been performed, where applicable.
- A sufficient audit trail has been maintained to evidence the management procedures applied for future evaluation.

All outstanding recommendations made in internal audit reports are continually tracked by the Audit Committee, and the progress towards implementing recommendations in line with the deadlines agreed with the auditor are reviewed at every meeting of the Audit Committee.

4. Annual Review of Controls

I can confirm that for the year ended 31 December 2021 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. One instance of non-compliant procurement was identified relating to the provision of statutory audit services, and the amount of non-compliant expenditure in 2021 was €22,060. Management was aware of this, and a resolution is being put in place.

On behalf of the Board

**Dr Joseph Ryan,
Chairperson**

Statement of Directors' Responsibilities

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/FE 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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board

Dr Joseph Ryan

Professor Anne Scott

5 May 2022



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 2021 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 2021;
 - 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

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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the 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 Trustees'/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 Trustees'/Directors' Report for the year ended 31 December 2021 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 Trustees'/Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Responsibility of Directors set out on page 33, 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 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 group or 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.

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



A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:

https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf

This description forms part of our auditors' report.

Use of this report

This report, including the 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 financial statements are in agreement with the accounting records.

Other exception reporting

Directors' 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

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

5 May 2022

- The maintenance and integrity of the EduCampus Services website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
- Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

PricewaterhouseCoopers, One Spencer Dock, North Wall Quay, Dublin 1, Ireland, I.D.E. Box No. 137

T: +353 (0) 1 792 6000, F: +353 (0) 1 792 6200, www.pwc.com/ie

Chartered Accountants

Statement of Comprehensive Income and Expenditure

Financial Year Ended 31 December 2021

| | Notes | 2021 € | 2020 € |
|--|-------|---------------------|---------------------|
| Income | | | |
| Funding body grants | 5 | 13,679,150 | 11,856,776 |
| Other client income | 6 | 5,590,049 | 3,109,985 |
| Investment income | 7 | 950 | 642 |
| Total income | | <u>19,270,149</u> | <u>14,967,403</u> |
| Expenditure | | | |
| Staff costs | 8 | (2,368,113) | (2,040,027) |
| Direct costs of services sold | 9 | (6,051,454) | (3,811,452) |
| Administration expenses | 9 | (834,278) | (762,027) |
| Other operating expenses | 9 | (10,016,304) | (6,976,821) |
| Total expenditure | | <u>(19,270,149)</u> | <u>(13,590,327)</u> |
| Result before other gains and losses | | - | 1,377,076 |
| Gain on disposal of fixed assets | | - | - |
| Total comprehensive income for the year | | <u>-</u> | <u>1,377,076</u> |
| Represented by: | | | |
| - Restricted comprehensive income for the year | | - | - |
| - Unrestricted comprehensive income for the year | | - | 1,377,076 |

All items of income and expenditure relate to continuing activities.

Balance Sheet

As at 31 December 2021

| | Notes | 2021 € | 2020 € |
|--|-------|--------------------|--------------------|
| Non-current assets | | | |
| Intangible assets | 10 | - | - |
| Tangible assets | 11 | 11,137 | 33,951 |
| | | <u>11,137</u> | <u>33,951</u> |
| Current assets | | | |
| Trade and other receivables (including €Nil (2020: €Nil) due after more than one year) | 12 | 5,990,164 | 2,778,595 |
| Cash and cash equivalents | | 5,088,769 | 5,546,957 |
| | | <u>11,078,933</u> | <u>8,325,552</u> |
| Less: Creditors (amounts falling due within one year) | 13 | <u>(7,621,322)</u> | <u>(5,598,108)</u> |
| Net current assets | | <u>3,457,611</u> | <u>2,727,444</u> |
| Total assets less current liabilities | | 3,468,748 | 2,761,395 |
| Creditors (amounts falling due after more than one year) | | | |
| Deferred grants | 15 | (2,080,435) | (1,350,268) |
| Capital grants | 15 | (11,137) | (33,951) |
| | | <u>(2,091,572)</u> | <u>(1,384,219)</u> |
| Total net assets | | <u>1,377,176</u> | <u>1,377,176</u> |
| Restricted reserves | | | |
| Income and expenditure reserve - restricted reserve | 17 | - | - |
| Unrestricted reserves | | | |
| Income and expenditure reserve - unrestricted | 17 | 1,377,076 | 1,377,076 |
| Called up share capital presented as equity | 17 | 100 | 100 |
| Total reserves | | <u>1,377,176</u> | <u>1,377,176</u> |

The financial statements were approved by the Board on 5 May 2022 and were signed on its behalf on that date by:

On behalf of the Board

Dr Joseph Ryan

Professor Anne Scott

Statement of Changes in Equity

Financial Year Ended 31 December 2021

| | Income and expenditure account | | Share capital | Total |
|--|--------------------------------|--------------|---------------|-----------|
| | Restricted | Unrestricted | | |
| | € | € | € | € |
| Balance at 1 January 2020 | - | - | 100 | 100 |
| Profit from the income and expenditure statement | - | 1,377,076 | - | 1,377,076 |
| Other comprehensive income | - | - | - | - |
| Release of restricted funds spent in year | - | - | - | - |
| Total comprehensive income for the year | - | 1,377,076 | - | 1,377,076 |
| Balance at 31 December 2020 | - | 1,377,076 | 100 | 1,377,176 |
| Balance at 1 January 2021 | - | 1,377,076 | 100 | 1,377,176 |
| Result 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 2021 | - | 1,377,076 | 100 | 1,377,176 |

Statement of Cash Flows

Financial Year Ended 31 December 2021

| | 2021 | 2020 |
|--|------------------|------------------|
| | € | € |
| Cash flow from operating activities | | |
| Results/surplus for the year | - | 1,377,076 |
| Adjustment for non-cash items | | |
| Depreciation on non-current assets | 22,814 | 72,403 |
| Interest received | (950) | (642) |
| (Increase) in trade and other receivables | (958,314) | (780,191) |
| (Increase) in prepayments | (2,253,255) | (1,060,195) |
| Increase in creditors | 2,023,214 | 3,840,971 |
| Increase/(decrease) in long term creditors | 707,353 | (349,818) |
| Net cash (used in)/generated from operating activities | <u>(459,138)</u> | <u>3,099,604</u> |
| Cash flows from investing activities | | |
| Interest received | 950 | 642 |
| Net cash generated from investing activities | <u>950</u> | <u>642</u> |
| Cash flows from financial activities | | |
| Issue of ordinary share capital | - | - |
| Net cash used in financing activities | - | - |
| Net (decrease)/increase in cash and cash equivalents in the year | <u>(458,188)</u> | <u>3,100,246</u> |
| Cash and cash equivalents at beginning of the year | 5,546,957 | 2,446,711 |
| Cash and cash equivalents at end of the year | <u>5,088,769</u> | <u>5,546,957</u> |
| Components of cash and cash equivalents | | |
| Cash and cash equivalents comprised: | | |
| Cash at bank and in hand | 5,088,769 | 5,546,957 |
| Short-term deposit | - | - |
| Cash equivalents | <u>5,088,769</u> | <u>5,546,957</u> |

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 Department of Education 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) (limited by guarantee) 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 including Financial Reporting Standard 102, *the Financial Reporting Standard applicable in the UK and Republic of Ireland and Irish Law*). The entity financial statements comply with Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" and with the statement of recommended practice - "Accounting for Further and Higher Education 2015 (FE/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 client income. The company's forecasts and projections, taking account of reasonably possible changes in trading performance, and having considered in detail the potential risks and likely impacts of the ongoing Coronavirus pandemic, both on operations and on the funding outlook, continue to show that the company will be able to operate within the level of its funding. 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 2021.

(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 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.

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

(f) 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 |

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 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) Share 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, and 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 funds*

On occasion the Board designates certain elements of unrestricted funds to be used for a specific future purpose. The designated funds within unrestricted funds in place at the balance sheet date are relating to a one-off distribution of funds that remained on the conclusion of the liquidation of the An Chéim company. These funds have been designated by the Board for the purpose of MIS refresh project expenditure only.

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.

Bad Debt Provision

The directors have assessed the recoverability of trade debtors at year end and decided that an impairment provision is not required. All debtor balances are considered recoverable at the balance sheet date.

Grant Receivable

In the directors view, all grant receivables at the balance sheet date are recoverable in full.



5 Funding body grants

| | 2021 € | 2020 € |
|--|-------------------|-------------------|
| (a) Recurrent grant | | |
| EduCampus operational recurrent grants | 10,931,679 | 9,066,477 |
| (b) Specific grants | | |
| MIS refresh project grant | 998,378 | 2,261,416 |
| eInvoicing funding | 52,403 | 54,174 |
| TU Merge Projects | 1,673,876 | 402,306 |
| | <u>2,724,657</u> | <u>2,717,896</u> |
| (c) Capital grants | | |
| Operational capital amortisation | 22,814 | 35,698 |
| Transition capital amortisation | - | 36,705 |
| | <u>22,814</u> | <u>72,403</u> |
| Total funding body grants | <u>13,679,150</u> | <u>11,856,776</u> |

6 Other client income

| | 2021 € | 2020 € |
|--|------------------|------------------|
| MIS services charged to clients | 5,590,049 | 1,733,551 |
| Exceptional gain: proceeds of liquidation of predecessor company | - | 1,376,434 |
| | <u>5,590,049</u> | <u>3,109,985</u> |

7 Investment income

| | 2021 € | 2020 € |
|-------------------|------------|------------|
| Interest received | 950 | 642 |
| | <u>950</u> | <u>642</u> |

8 Staff costs

| | 2021 | 2020 |
|------------------------------------|------------------|------------------|
| | € | € |
| Staff costs | | |
| Salaries | 1,759,205 | 1,525,370 |
| Seconded costs | 192,609 | 189,000 |
| Social security costs | 194,479 | 159,848 |
| Retirement benefit costs | 177,861 | 136,713 |
| Company sponsored health insurance | 23,195 | 18,768 |
| Company sponsored risk | 20,764 | 10,328 |
| | <u>2,368,113</u> | <u>2,040,027</u> |

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

| | 2021 | 2020 |
|---------------------|----------|----------|
| | Number | Number |
| €60,000 - €69,999 | 7 | 4 |
| €70,000 - €79,999 | 5 | 6 |
| €80,000 - €89,999 | 2 | 2 |
| €90,000 - €99,999 | - | 2 |
| €100,000 - €109,999 | 1 | - |
| €110,000 - €119,999 | 1 | 1 |
| €120,000 - €129,999 | - | - |
| €130,000 - €139,999 | 1 | - |
| €140,000 - €149,999 | - | 1 |
| €150,000 - €159,999 | 1 | - |
| | <u>1</u> | <u>-</u> |

Average staff numbers by major category:

| | | |
|-------------------------------------|-----------|-----------|
| Management | 6 | 5 |
| Administration | 4 | 4 |
| Project management/service delivery | 18 | 15 |
| | <u>28</u> | <u>24</u> |

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 FE/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 is appointed to any salaried office or position with the company), and senior management (6 personnel (2020: 5)). The total compensation paid to these personnel in 2021 was €695,610 (2020: €586,116) and this includes salary, pension contributions and health insurance contributions.



9 Analysis of total expenditure by activity

| | 2021 | 2020 |
|--|-------------------|-------------------|
| | € | € |
| Staff costs (note 8) | 2,368,113 | 2,040,027 |
| Direct cost of services sold | 6,051,454 | 3,811,452 |
| Administration expenses | 834,278 | 762,027 |
| Other operating expenses | 10,016,304 | 6,976,821 |
| | <u>19,270,149</u> | <u>13,590,327</u> |
| Administration expenses include: | | |
| Rent, Rates, Service Charge and Office Support | 332,885 | 222,876 |
| Depreciation and amortisation | 22,814 | 72,403 |
| Consultancy and Professional fees | 52,572 | 86,316 |
| External auditors remuneration in respect of audit services* | 24,600 | 19,575 |
| External auditors remuneration in respect of non-audit services* | 2,583 | 2,485 |
| | <u>635,454</u> | <u>403,655</u> |
| Other operating expenses include: | | |
| IT Service Costs | 8,943,437 | 5,923,262 |
| Service Continuity | 1,072,867 | 998,544 |
| | <u>10,016,304</u> | <u>6,921,806</u> |

*Auditors remuneration is inclusive of VAT

10 Intangible assets

| | 2021 | 2020 |
|---------------------------------|------------------|------------------|
| | € | € |
| Software licenses | | |
| Cost | | |
| At 1 January | 170,669 | 170,669 |
| Additions in the year | - | - |
| Disposals | - | - |
| At 31 December | <u>170,669</u> | <u>170,669</u> |
| Accumulated amortisation | | |
| At 1 January | (170,669) | (170,669) |
| Charge for the year | - | - |
| Disposals | - | - |
| At 31 December | <u>(170,669)</u> | <u>(170,669)</u> |
| Net book value | | |
| At 31 December | <u>-</u> | <u>-</u> |

11 Tangible assets

| | Fixtures, fittings and equipment € | Computer Hardware € | Leasehold Improvements € | Total € |
|---|--|---------------------------|--------------------------------|------------------|
| Cost | | | | |
| At 1 January 2020 | 387,510 | 87,234 | 19,235 | 493,979 |
| Additions | - | - | - | - |
| Disposals | - | - | - | - |
| At 31 December 2020 | <u>387,510</u> | <u>87,234</u> | <u>19,235</u> | <u>493,979</u> |
| Accumulated depreciation | | | | |
| At 1 January 2020 | (299,453) | (85,127) | (3,045) | (387,625) |
| Charge for the year | (67,396) | (2,107) | (2,900) | (72,403) |
| Disposals | - | - | - | - |
| At 31 December 2020 | <u>(366,849)</u> | <u>(87,234)</u> | <u>(5,945)</u> | <u>(460,028)</u> |
| Net book value | | | | |
| At 31 December 2020 | <u>20,661</u> | <u>-</u> | <u>13,290</u> | <u>33,951</u> |
| Cost | | | | |
| At 1 January 2021 | 387,510 | 87,234 | 19,235 | 493,979 |
| Additions | - | - | - | - |
| Disposals | - | - | - | - |
| At 31 December 2021 | <u>387,510</u> | <u>87,234</u> | <u>19,235</u> | <u>493,979</u> |
| Accumulated depreciation | | | | |
| At 1 January 2021 | (366,849) | (87,234) | (5,945) | (460,028) |
| Charge for the year | (19,914) | - | (2,900) | (22,814) |
| Disposals | - | - | - | - |
| At 31 December 2021 | <u>(386,763)</u> | <u>(87,234)</u> | <u>(8,845)</u> | <u>(482,842)</u> |
| Net book value | | | | |
| At 31 December 2021 | <u>747</u> | <u>-</u> | <u>10,390</u> | <u>11,137</u> |
| Future asset purchase commitments | | | | |
| | | | 2021 | 2020 |
| | | | € | € |
| Contracted for but not provided for in the financial statements | | | - | - |
| Authorised by the directors but not contracted for | | | - | - |
| | | | <u>-</u> | <u>-</u> |



12 Trade and other receivables

| | 2021 € | 2020 € |
|--------------------------------------|------------------|------------------|
| Amounts falling due within one year: | | |
| Trade debtors | 1,872,301 | 479,499 |
| Other debtors | 1,096 | 947 |
| Grant receivable at year end | 1,312,130 | 451,826 |
| Taxation and social insurance | - | - |
| Prepayments | 2,804,637 | 1,846,323 |
| | <u>5,990,164</u> | <u>2,778,595</u> |

Other debtors do not include any provision for impairment.

13 Creditors (amounts falling due within one year)

| | 2021 € | 2020 € |
|-------------------------------|------------------|------------------|
| Trade creditors | 923,249 | 775,219 |
| Intercompany creditors | 637,883 | 44,451 |
| Accruals | 3,595,496 | 2,403,619 |
| Taxation and social insurance | 70,101 | 63,585 |
| Deferred grants (note 14(b)) | 1,517,000 | 1,751,380 |
| Deferred income | 835,891 | 510,322 |
| Other accrual | 41,702 | 49,532 |
| | <u>7,621,322</u> | <u>5,598,108</u> |

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

| | | |
|------------------------------------|---------------|---------------|
| VAT payable | 1,213 | 7,559 |
| PAYE | 34,514 | 27,842 |
| PRSI | 23,264 | 20,155 |
| Universal social charge | 6,393 | 4,996 |
| Local Property Tax | 35 | 117 |
| Company sponsored health insurance | 4,682 | 2,916 |
| | <u>70,101</u> | <u>63,585</u> |

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 30 days. Tax and social insurance are repayable in accordance with the applicable statutory provisions.

14 Grants

| | Other restricted grant € | Restricted capital grant € | Total 2021 € | Total 2020 € |
|--|-----------------------------------|----------------------------------|--------------------|--------------------|
| (a) Grants | | | | |
| Balance at beginning of year | 1,241,014 | 1,860,634 | 3,101,648 | 2,532,683 |
| Grants received/receivable during the year | 11,448,000 | 2,704,123 | 14,152,123 | 12,353,338 |
| Transfers within projects | - | - | - | - |
| | <u>12,689,014</u> | <u>4,564,757</u> | <u>17,253,771</u> | <u>14,886,021</u> |
| Less: | | | | |
| Recurrent grants released to revenue (note 5(a and b)) | (10,931,679) | (2,724,657) | (13,656,336) | (11,784,373) |
| Transfer to capital grants | - | - | - | - |
| Deferred grants at end of year | <u>1,757,335</u> | <u>1,840,100</u> | <u>3,597,435</u> | <u>3,101,648</u> |
| (b) Grants due within/after one year | | | | |
| Thereof: | | | | |
| Amounts falling due within one year | 1,020,000 | 497,000 | 1,517,000 | 1,751,380 |
| Amounts falling due after more than one year | 737,335 | 1,343,100 | 2,080,435 | 1,350,268 |
| | <u>1,757,335</u> | <u>1,840,100</u> | <u>3,597,435</u> | <u>3,101,648</u> |

A significant proportion of EduCampus's activity is funded by way of grant funding from Government. An operational grant is provided on a fixed amount which is awarded annually and where the company is responsible for operating within the scope of the agreed budget. Grants are provided on the basis of providing service in the periods to which the grants relate and are not contingent on meeting any future conditions. Project grants are provided in arrears based on matured liabilities. Project grants recognised in the year is funding obtained from the Department of Education projects to upgrade the HRM and Payroll, Finance and Student Records Management systems. No unfulfilled conditions were outstanding at the period ended 31 December 2021.

(c) Future purchase commitments

| | 2021 € | 2020 € |
|---|------------------|------------------|
| MIS Refresh Project | | |
| - Finance System | 174,117 | 839,205 |
| - Student Records Management System | 2,731,201 | 2,326,626 |
| Total MIS Refresh Project | <u>2,905,318</u> | <u>3,165,831</u> |
| HRM & Payroll System for new clients | - | - |
| Total contracted for but not provided for in the financial statements | <u>2,905,318</u> | <u>3,165,831</u> |



14 Grants (continued)

(d) Analysis of deferred grants and grant income for the year ended 31 December 2021

| Name of grantor | Name of grant | Purpose of grant | Opening deferral 1 January 2021 € | Grant received 2021 € | Income and expenditure 2021 € | Closing deferral 31 December 2021 € | Reason for closing deferral |
|-------------------------------------|---------------|---|--|-----------------------------|--|---|---|
| Department of Education | Vote 26 C.04 | These grants are utilised in providing quality IT and MIS shared services | 1,241,014 | 11,448,000 | (10,931,679) | 1,757,335 | Commitments in 2021 for 2022 expenditure |
| Department of Education | Vote 26 C.16 | Funding the refresh of the remaining Managed Information Systems | 1,858,526 | 962,714 | (998,378) | 1,822,862 | Future capital purchase commitments for the MIS refresh project |
| TU Merge Projects | | Funding the Merging of Technological Universities | (28,258) | 1,702,134 | (1,673,876) | - | |
| IT Sligo | | Funding the eInvoicing project | 30,366 | 39,275 | (52,403) | 17,238 | Future capital purchase commitments for the eInvoicing project |
| Closing balance (Note 14(a)) | | | 3,101,648 | 14,152,123 | (13,656,336) | 3,597,435 | |

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

| | Notes | 2021 € | 2020 € |
|-----------------|-------|------------------|------------------|
| Deferred grants | 14(b) | 2,080,435 | 1,350,268 |
| Capital grants | 15(a) | 11,137 | 33,951 |
| | | <u>2,091,572</u> | <u>1,384,219</u> |

(a) Capital grants

| | | | |
|--|-------|---------------|----------------|
| Balance at beginning of the year | | 33,951 | 106,354 |
| Grants received/receivable during the year | 14(a) | - | - |
| | | <u>33,951</u> | <u>106,354</u> |
| Amortisation for the year | 5(c) | (22,814) | (72,403) |
| Balance at end of year | | <u>11,137</u> | <u>33,951</u> |

16 Operating lease commitments

| | 2021 € | 2020 € |
|--|----------------|----------------|
| Minimum lease payment under operating leases recognised as an expense during the year | <u>99,408</u> | <u>99,398</u> |
| At period end, the company has outstanding commitments under non-cancellable operating lease that fall due as follows: | | |
| Buildings: | | |
| Within one year | 99,398 | 99,398 |
| Later than one year and not later than five years | 274,989 | 374,397 |
| Later than five years | - | - |
| Total lease payments due | <u>374,387</u> | <u>473,795</u> |

The company had no off-balance sheet arrangements.



17 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.

| | 2021 | 2020 |
|--|-------|-------|
| | € | € |
| Authorised | | |
| 100 (2020: 100) ordinary shares of €1 each | 100 | 100 |
| | <hr/> | <hr/> |
| Allotted and fully paid - presented as equity | | |
| 100 (2020: 100) ordinary shares of €1 each | 100 | 100 |
| | <hr/> | <hr/> |

Profit and loss account

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

Breakdown of unrestricted funds reserve

The balance in unrestricted funds is arising from the receipt of funds remaining on the liquidation of the An Chéim company (a predecessor company formerly providing services similar to EduCampus). In prior years this was as a contingent asset in the notes to the balance sheet but was not recognised in the financial statements. This has been partially applied as a designated unrestricted funds reserve, as detailed below.

| | 2021 | 2020 |
|---|-----------|-----------|
| | € | € |
| Unrestricted | | |
| Opening Balance at 1 January | 377,076 | - |
| Net movement in statement of comprehensive income | - | 377,076 |
| Movements between funds | - | - |
| | <hr/> | <hr/> |
| Closing Balance at 31 December | 377,076 | 377,076 |
| | <hr/> | <hr/> |
| Designated | | |
| Opening Balance at 1 January | 1,000,000 | - |
| Net movement in statement of comprehensive income | - | 1,000,000 |
| Movements between funds | - | - |
| | <hr/> | <hr/> |
| Closing Balance at 31 December | 1,000,000 | 1,000,000 |
| | <hr/> | <hr/> |

17 Share capital and reserves (continued)

Restricted funds

Restricted funds comprise the following:

Restricted capital grants are grants received for capital expenditure relating to specific capital projects.

Grants are provided by the grant authority for the specific capital project stipulated. Amortisation of the relevant grants and the related depreciation expenditure are treated as restricted income and expenditure in the statement of comprehensive income and expenditure.

Other restricted funds relate to other income which has been received from a grant authority or other organisation with specific restrictions attaching to it. Such income is held in a restricted fund and utilised to fund the related expenditure when incurred.

The company does not have any restricted reserves €Nil (2020: €Nil).

Unrestricted funds

Unrestricted funds comprise the following:

Unrestricted general funds comprise all funds which have been received and used in the ordinary course of business which are not subject to a specific restriction by the grantor or donor.

Designated Funds

Designated funds include funds designated by the Board for specific purpose or use. In 2020, the Board designated an amount of €1M as a designated fund for MIS refresh project expenditure only. This fund is for EduCampus use only and is separate to the parent company's designated fund.

18 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.

On 1 March 2016, EduCampus Services became a client of HEAnet. Client contribution charges to HEAnet for 2021 was €10,674 (2020: €10,674).

Business support services were provided by HEAnet to EduCampus Services, which amounted to €249,414 (2020: €292,277).

Other services provided by HEAnet to EduCampus Services relate to Web-hosting, EduStorage and Managed eduroam Radius Service. Other services charged by HEAnet for the period amounted to €8,320 (2020: €3,517).

The balance receivable in respect of all services provided by HEAnet to EduCampus Services at the year-end was €Nil (2020: €Nil).



19 Contingent assets

There are no contingent assets at the end of 2021.

20 Pension plans

The pension entitlements of employees arise under a defined contribution plan, which commenced in September 1999. The Group's contribution charge to the profit and loss account for the year ended 31 December 2021 amounted to €177,861 (2020: €136,713).

21 Subsequent events

There were no subsequent events to report.

22 Comparatives

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

23 Approval of financial statements

The directors approved the financial statements on 5 May 2022.



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