



EduCampus Services DAC

**Directors' Report  
& Financial Statements**

Financial year ended 31 December

**2019**



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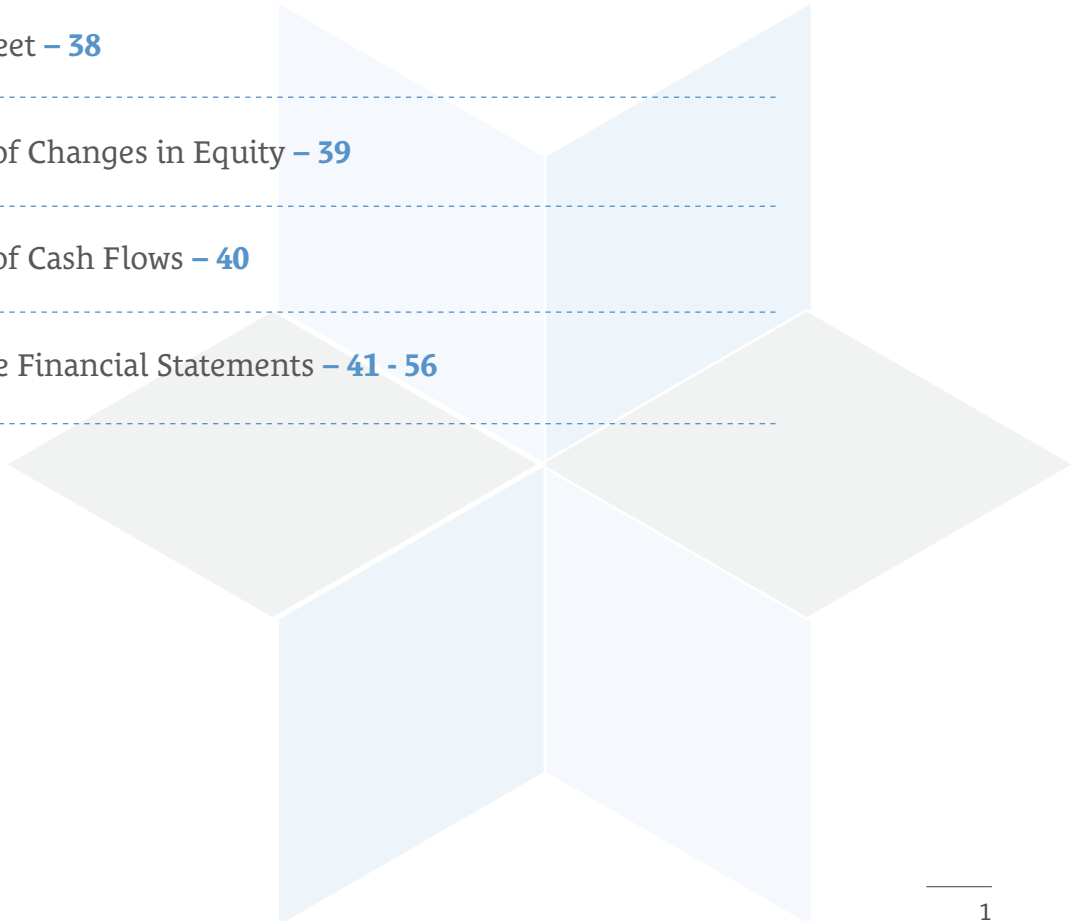
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## Chairman's Foreword

Through efficient and effective development, we aim to continually meet the current and future needs of our client community through collaboration and innovation.



2019 has been a transformative year in Higher Education, particularly in the formation of the Technological Universities. As we continue to experience progressive change and evolution, we are continually aware of the key role shared

services has in supporting our client institutions in the Higher Education sectors. Through efficient and effective development, we aim to continually meet the current and future needs of our client community through collaboration and innovation.

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 and Technological Universities, the traditional Universities, the Higher Education Authority, and HEAnet. In addition, there are four subcommittees which provide support and guidance to the Board in its decision making. These committees are shared with HEAnet, and EduCampus continues to leverage the resources and expertise of HEAnet as it develops its plans to address the existing and growing needs of the higher education sector.

### **Impact of the novel coronavirus on EduCampus activities**

Since early 2020, but particularly since 12 March, the coronavirus pandemic has started to impact the national economy as consumer and business activity are required to shut down to limit the spread of the virus. Government funds are already being diverted to support the health service and other vulnerable sectors of the economy. As an organisation reliant on state grants to fund its activities, it is probably inevitable that EduCampus will be impacted by this crisis. Based on the current level of cash resources in EduCampus, management are confident that there is no reason for concern, at this point in time, regarding working capital management in the business.

In addition, our Government partners have consistently offered strong signs of support to EduCampus regarding current funding arrangements. Our budgets and cashflow forecasts show that we will be in good shape at the end of this year but that we, like a lot of other state-funded organisations, will possibly face a more challenging environment in 2021. There is further commentary on the measures taken to evaluate this risk in the trustees' report section of this annual report.

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 2019.

- There were no commercially significant developments. No new subsidiaries or joint-ventures were established, and there were no share acquisitions or disposals;
- No off-balance sheet financial transactions took place;
- I affirm that all appropriate procedures for financial reporting, internal audit, travel, procurement and asset disposals are being carried out;
- I acknowledge our responsibility for ensuring an effective system of internal financial control is in place. A statement on the system of internal financial controls is included with the annual report, pages 31-32.
- EduCampus has a code of business conduct for directors. Current employee code of business conduct is outlined in the EduCampus Employee Handbook. During 2020, a specific code of conduct for EduCampus employees will be put in place;
- EduCampus is a private company and none of its directly employed staff are public civil servants<sup>1</sup>. Salary and compensation decisions are made using a formalised internal performance management system against benchmarked salary bands. As such, EduCampus does not strictly follow Government policy on the pay of the CEO and other employees;
- Board directors are not paid a salary or remuneration for their service. Expenses payments to directors and staff are in accordance with rates sanctioned by the Department;

- There are no post-balance sheet events to report;
- EduCampus follows the principles of the Public Spending Code, as they are interpreted and agreed with its funders;
- EduCampus has put in place procedures for the making of protected disclosures in accordance with S. 21 (1) of the Protected Disclosures Act 2014.
- EduCampus is compliant with Government travel policy in all respects;
- EduCampus has complied with its obligations under tax law;
- EduCampus is not involved in any legal disputes with any other state bodies;
- In collaboration with HEAnet, EduCampus is taking steps to ensure compliance with the 2016 Code of Practice;
- EduCampus has policies and procedures in place to ensure that it is fully compliant with public procurement requirements. However, instances of non-competitive procurement, if any, were not tracked or reported in 2019.

I would like to take the opportunity to thank Paddy Naughton, EduCampus CEO, and his dedicated and innovative team of executives and staff. I would also like to thank the EduCampus Board for their hard work and commitment. I believe this coming year will bring greater growth and innovation in the MIS field.

I look forward to EduCampus providing the type of leadership that will only serve to empower the higher education sector by delivering a range of systems and services to meet the growing needs of this digital age.

**Dr Joseph Ryan**  
Chairman, EduCampus Services

<sup>1</sup> There are a number of staff working in EduCampus that are on secondment from TU Dublin. Pay and other compensation arrangements for these staff are subject to contracts of employment between the staff and TU Dublin

## A Message from the Chief Executive

In 2019, EduCampus undertook extensive engagement with all clients and with a wide range of stakeholders to facilitate them in providing input into developing the EduCampus strategic plan 2020-24.



In 2019, EduCampus remained committed to quality in the design, implementation and operation of the environments, as it does to our aim to deliver value for money through efficiencies at multiple levels, including economies

of scale, aggregated demand, and synergies with our parent company HEAnet.

EduCampus strives to ensure that its shared services provision is responsive to the needs of our client communities while adding to the positive experience of learners. In 2019, EduCampus continued its work to stabilise the MIS applications taken over in 2015, with Cloud based enterprise systems now in place for four of the five key applications. We also achieved significant progress in advancing the procurement of our 5th application, the Student Record Management System.

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

In 2019, EduCampus undertook extensive engagement with all clients and with a wide range of stakeholders to facilitate them in providing input into developing the EduCampus strategic plan 2020-24. This plan will provide overall strategic direction for the organisation over the next five years and will be presented for approval to the Board early in 2020.

I wish to take this opportunity to thank the staff at EduCampus for their efforts and also to acknowledge the dedication and support of the EduCampus Board.

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

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

**Mr Patrick Naughton**  
Chief Executive, EduCampus Services

## Directors and other information

### Board of directors

- Dr Joseph Ryan (Chairman)
- Ms Sheena Duffy
- Ms Mary Kerr
- Mr Tadhg Leane (resigned September 2019)
- Professor Mike Murphy
- Ms Barbara McConalogue
- Ms Kerrie Power
- Professor Anne Scott
- Mr Thomas Stone

### 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

McEaney Tighe  
73 Lower Leeson Street  
Dublin 2  
Ireland

### Bankers

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

## Trustees'/Directors' Report

### OBJECTIVES AND ACTIVITIES

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

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

EduCampus mission is to deliver innovative shared services through continuous collaboration with our client community. We will adapt to the changing need of our ever-expanding client base, by providing transformational leadership, and by harnessing new and emerging concepts to support the education and research sector.

#### Our objectives are:

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

### ACTIVITIES

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

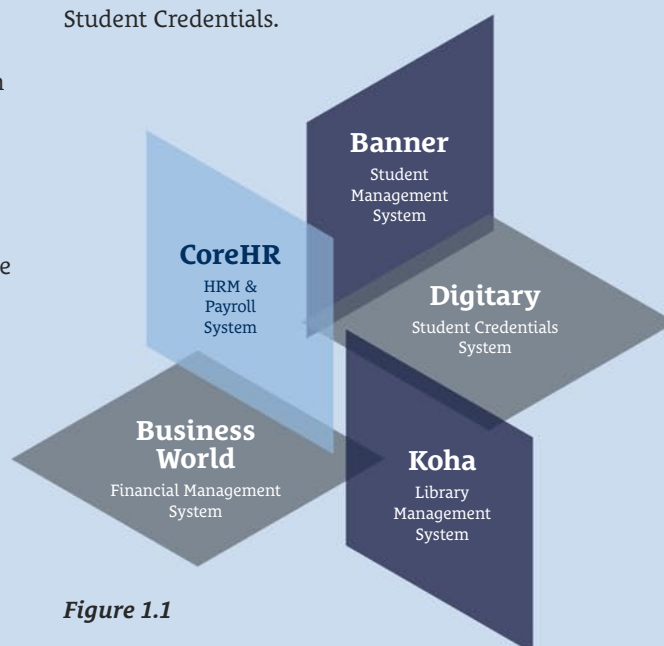


Figure 1.1

In order to deliver the best systems and services to its clients, EduCampus has undertaken a programme of upgrades and/or replacement of each of the systems that it took over in 2015. 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.

By the end of 2019, four out of the five systems had been, or were in the process of being, migrated to the Cloud.



Figure 1.2 shows the hosting and managed service providers for each of the systems provided by EduCampus as at 31 December 2019.

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

**Figure 1.2**

The MIS Refresh Programme has been a key activity of the Solutions Development team since it commenced in 2015. During 2019, the team has also taken on a number of new projects including the implementation of systems for three new clients and engaging with those clients who are working to achieve Technological University status to plan the projects required to achieve fully integrated systems for the new University. Details of these projects as well as the ongoing upgrade of the Financial Management system under the MIS Refresh Programme are provided below.

In providing these five business critical systems to its clients, EduCampus actively manages the day-to-day activities required to keep the applications operating effectively. This function is carried out by the Service Delivery team whose responsibilities include managing the end-to-end service for each application, building relationships with the user community, and managing the suppliers to ensure compliance with required standards.

Management of the applications includes monitoring the use of functionality and representing the user community in the resolution of issues. The team engage directly with clients on a regular basis and work collaboratively with them to find solutions that best meet the requirements of the sector.

In addition to the ongoing activities outlined above, the sections below detail particular initiatives undertaken in 2019 which provide examples of EduCampus' ongoing collaboration with its clients in developing and expanding its services. Also included below are details of the core competencies established within each of the teams in EduCampus to carry out these activities.

### New Clients

In 2019, EduCampus were approached to provide services to three new clients who requested a variety of applications and associated services. In order to successfully introduce new clients, EduCampus have a documented set of standards that it adheres to, based on the services requested. These key services are offered via our centres of excellence in Service Delivery and Solutions Development.

The key challenges with introducing new clients are twofold. Firstly, ensuring that EduCampus have the capacity and access to the key EduCampus resources to meet the client's timelines. Secondly, it is imperative that EduCampus build on the relationship and trust with the client by demonstrating clearly what EduCampus' role is, via meetings with the EduCampus team and highlighting how the services can be of benefit.

The process begins with clients initially engaging with the contracts and procurement team. The client receives the Services Catalogue and agrees their Client Service Agreement (CSA). The second phase is the engagement with the solutions development team, where the EduCampus project manager will work on the project scope and planning, following the Project Management Office (PMO) governance model.

Towards the end of the second phase the Service Transition phase will begin. During this phase, the Service Transition team will create and utilise Client and Vendor checklists to assess and accept or reject the transition of the project into business as usual support. The final phase in the introduction life cycle is facilitated by the Service Delivery team with an overview of the services which now fall under its remit.

Following the above process, EduCampus were able to successfully introduce three new clients during 2019. These clients have integrated seamlessly into the EduCampus service and are able to access and utilise the EduCampus resources, knowledge and skills when needed.

Other benefits for the clients include membership of the application user groups, workshops, training, and leveraging the power of the sector to provide input into the product roadmap.

All of the new clients are now using up to date versions of the software in cloud environments, and the EduCampus service guarantees that the clients are regularly receiving updates and version upgrades to ensure they remain up to date and under supplier support at all times.

## Financial Management Systems

As mentioned above, the Solutions Development team are currently engaged in a project to upgrade the Financial Management System in use by the client community to a new cloud hosted system, Business World provided by Unit4.

Financial Management Systems (FMS) are complex and key to our clients' business success. At EduCampus, our support ensures the upgrade to this key business enabler is delivered successfully. Our current framework agreement established with Unit4 allows for the rollout of Business World, while the Software as a Solution (SaaS) model ensures all clients are on the latest version of this software.

Business World is a multi-company, multi-currency solution, with rules-based workflows that enables its users to realise significant business benefits through the implementation of automated, simplified, standardised business processes.

It is designed around a single database and a single set of software, encompassing a series of fully integrated modules. These modular elements include Financials, Procurement, Budgeting/ Planning, Project Costing & Billing, and Reporting / Business Analytics. The upgraded solution provides several core modules and functionality that enable the efficient management of business processes and ensures the appropriate levels of financial control. These include role-based application security, audit trailing, workflow/business process management, electronic document management, rules-based archiving, and more.

Given the scale and complexity of the upgrade, 2019 was a successful year for FMS project upgrade, as clients are moving to Business World in the Cloud. During this time, several key milestones were achieved. Our pilot site, Waterford Institute of Technology (WIT) went live in April, followed by our validation site Letterkenny Institute of Technology (LyIT) in November. Cork Institute of Technology (CIT) and Limerick Institute of Technology (LIT) also embarked on their upgrade journey at the end of 2019. As part of our service to our clients, EduCampus provide several vital supports that enable the smooth running of projects and assist our clients to navigate what is a significant programme of work.

For example, EduCampus provides a suite of tools which facilitate efficient and effective project delivery. We provide a robust project management tool which provides a one-stop-shop for all project planning and communication, including tracking of project tasks and searchable repository of project documents. Additionally, EduCampus use integrated test case management and issue management tools to facilitate the User Acceptance Testing (UAT) phase of projects. These tools allow for simple management of test cases and monitoring of test status. The integration of our testing tools allows testers to focus on their testing and minimises the need to record details in multiple locations.

In addition to these project tools, EduCampus provide significant on-site and remote support throughout the life of the project. We provide project governance structure and ensure that project planning is in place to make certain that key project milestones are met, and that timelines are achieved. In the FMS project, we support sites to get the most value from supplier led workshops and training days, as well as providing a series of quick reference guides for use in end-user training. Furthermore, EduCampus provide on-site UAT support and advocate for effective issue resolution by closely monitoring progress and facilitate communication between the client and supplier during UAT. EduCampus is a point of escalation for our clients, allowing them to focus on their own project deliverables. This escalation management ensures our supplier delivers a quality product and service to our clients. We provide guidance and on-site support to assist in a smooth go-live experience.

EduCampus worked closely with the supplier in 2019 to ensure a robust rollout plan is in place for the delivery of the remaining project in 2020. We look forward to working with all of our clients as they go live on the upgraded system throughout the coming year.

### **Information Governance**

The General Data Protection Regulation reinvented data protection practice across the European Union in 2018. The Regulation strengthens the rights of individuals and increases responsibilities with respect to personal data. EduCampus internal systems and processes are continuously refined to support compliance with the Regulation. This system reflects a commitment to excellence in data protection practice and the key role of EduCampus in critical system support, solution development and relationship management.

A key activity for EduCampus in 2019 was to implement a programme of data protection training and awareness for EduCampus personnel.

The programme supported the development and implementation of project methodology to support privacy by design and data risk analysis.

Data protection policies were monitored and updated and actions to upgrade our internal systems were commenced.

An internal audit of compliance against provisions of the Regulation was commenced in 2019. Positive outcomes of that process include recognition of appropriate levels of assurance and beneficial recommendations that will further enhance the EduCampus internal data governance framework.

EduCampus look forward to supporting clients and working with suppliers throughout 2020 in several areas of information governance, particularly with respect to Data Protection Impact Assessment and promoting transparency and clarity across personal data management in the sector.

### **Technological Universities**

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

The Technological Universities Bill was published in December 2015 and its main purpose was to give effect to the recommendations set out in the National Strategy in relation to the Institute of Technology sector, including the development of a new technological university model. In addition, the Bill provided for several important reforms to the governance and operation of the existing Institutes of Technology.

The enactment of the Technological University legislation in March 2018, (Technological Universities Act, 2018) sets out a process whereby consortia of Institutes of Technology may submit an application for TU designation.

The format and contents of an application is a matter for the applicant institutes seeking an order under the Technological Universities Act 2018, in accordance with the process set out in the Act.

TU Dublin commenced operations on 1 January 2019 and was formed by the amalgamation of three former Institutes of Technology; Dublin Institute of Technology, Institute of Technology Tallaght and Institute of Technology Blanchardstown. TU Dublin have made significant progress in planning a programme of projects in collaboration with EduCampus to consolidate their MIS Systems. Furthermore, during 2019, TU Dublin City Campus have adopted the HRM & Payroll System under the EduCampus Master Framework agreement.

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

- Technological University for the South-East (TUSEI), consisting of Waterford Institute of Technology and Institute of Technology Carlow;
- Munster Technological University (MTU), consisting of Cork Institute of Technology and Institute of Technology, Tralee;

- Connacht Ulster Alliance (CUA), consisting of Galway-Mayo Institute of Technology, Institute of Technology, Sligo, and Letterkenny Institute of Technology;
- Technological University for the Midlands and Mid-west, consisting of Athlone Institute of Technology and Limerick Institute of Technology.

EduCampus have evolved their governance model to incorporate the unique requirements of the TU consolidation projects to deliver enterprise-wide systems change ensuring the successful operation of the Technological Universities. Additionally, EduCampus have developed a transparent programme management methodology in collaboration with our clients and suppliers to validate the design and feasibility of the consolidated MIS systems.

Figure 1.3 below provides a snapshot of this overall approach. This tailored collaborative methodology supports the strategic intent of Technological Universities to align their business policies and processes and leverage operational efficiencies.

**EduCampus/TU Consortia Consolidation Project Approach**

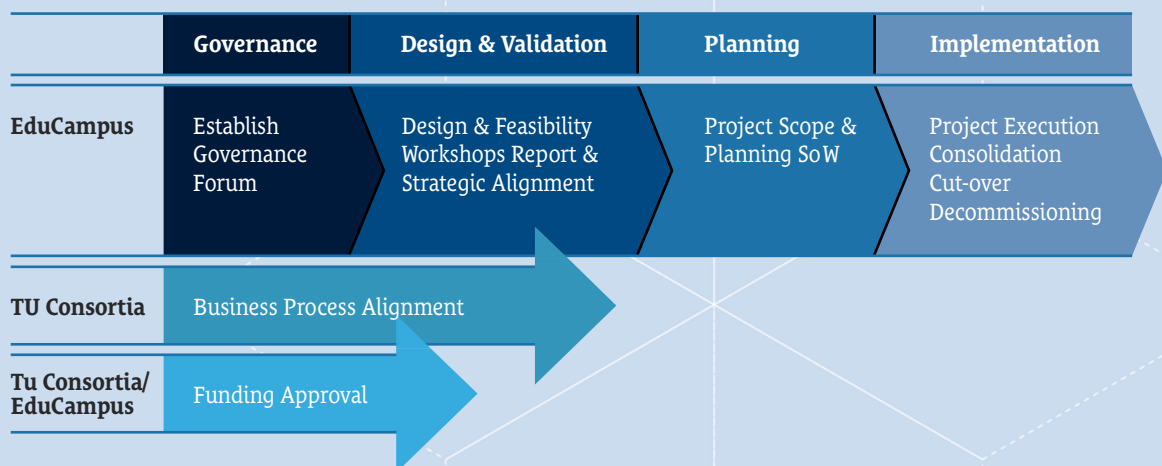


Figure 1.3

## CORE COMPETENCIES

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

### Service Management

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

- Service Delivery Management
- Service Liaison
- Service Transition
- Continuous Improvement

### Service Management Functions

#### 1. Service Delivery Management

EduCampus Service Delivery Team are responsible for managing the end-to-end service for each application, building relationships with the user community, and managing relationships with suppliers. They monitor overall supplier performance against availability KPI's, case SLAs and governance, ensuring adherence to the Service Level Agreement.

#### 2. Service Liaison

EduCampus Service Liaison Officers are product owners who build relationships with the user community concerning individual applications. Management of the applications includes monitoring the use of functionality and representing the user community in the resolution of issues. The Team engage directly with clients and adopt a collaborative approach to finding solutions that best meet the requirements of the sector. They facilitate user group meetings that provide an opportunity for ongoing knowledge sharing.

#### 3. Service Transition

Building on our Information Technology Infrastructure Library (ITIL) best practice framework, the service transition process manages the introduction of new or upgraded services from project phase into business as usual. It allows Service Management to assess the health of a new service and the readiness of all parties to support the service and delivery of operational excellence. A key component of this process is the Service Acceptance Checklist, which allows the Service Team to run through key areas of a service to assess the readiness of the associated product, people and processes.

#### 4. Continuous Improvement

EduCampus understands that the success of a shared service operation is dependent on the consistency of service and performance levels, together with a strategy of dialogue, continuous development and improvement. This is a key function of EduCampus, and we carry out an analysis of the requirements of our clients on a continuous basis in order to implement changes to enhance functionality.

### Solutions Development

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

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

In 2019, the Solutions Development team expanded its capacity to cater for an increased project pipeline and demand for its services, by hiring additional Business Analysts, to augment the team’s competencies in Business Process Analysis and Change Management.

Successful delivery of the projects undertaken by the Solutions Development function within EduCampus can only be achieved by close collaboration with our client community.

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

The following forums have been established within the EduCampus’ Programme and Project Governance model:

The **‘Programme Steering Group (PSG)’** is:

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

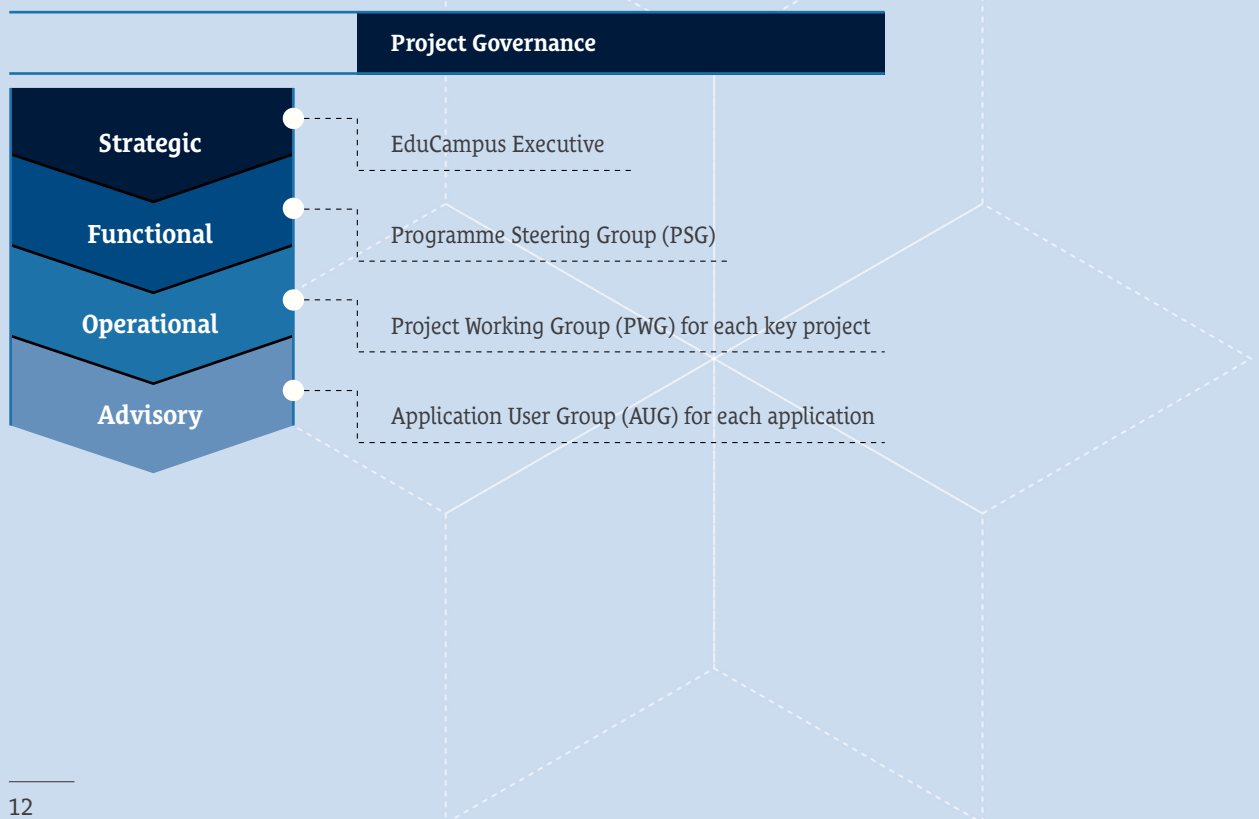
A **‘Project Working Group (PWG)’** is:

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

An **‘Application User Group (AUG)’** is:

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

Figure 1.4



## ACHIEVEMENTS AND PERFORMANCE

During 2019, among EduCampus' achievements was the consolidation of its position as a key provider of MIS services to the Institutes of Technology/ Technological Universities. The key competencies of Service Management and Solution Development were also fully stabilised in the course of 2019.

### Achievements in Service Management

In 2019, EduCampus achieved their stated objectives in relation to Service Delivery Management, building strong relationships with the user community and managing end-to-end relationships with suppliers. This was achieved whilst also monitoring overall supplier performance against availability KPIs, case SLAs and governance in addition to, at all times, ensuring adherence to the service level agreements.

KPIs and SLAs over the five key MIS applications:

- Total cases opened 2019: 4745
- Total cases closed 2019: 4903
- Average availability: 99.89%
- Average case resolution across all apps in 2019: 90%

In the interest of continuous improvement, EduCampus carried out continuous analysis of client requirements, enabling them to implement changes in order to enhance functionality.

In terms of service delivery, the following are examples of where EduCampus led initiatives to support operations in their client Institutions.

### Student System

We implemented 12 legislative and eight product enhancements on the student system, Banner, during 2019. Some of which are outlined below.

#### 1. QQI

The legislation that established QQI (Qualifications and Quality Assurance (Education and Training) Act 2012), requires it to establish a database of the programmes/ courses leading to qualifications that are recognised within the National Framework of Qualifications (NFQ).

QQI is currently developing this Irish Register of Qualifications. From July 2019, it contains detail of the courses leading to qualifications made by QQI that are recognised within the National Framework of Qualifications. From March 2020, the courses offered leading to qualifications recognised within the National Framework of Qualifications made by the other national awarding bodies in Ireland will be available on this Register.

To assist our client base in providing programmatic information to QQI, EduCampus developed a tailor-made extract process in 2019, to compile a data file that meets the requirements of the QQI upload portal.

Subsequently, additional changes were implemented to refine the extract process and assist our clients in producing a consistent and comprehensive return of data.

#### 2. Online Registration field for PPSN

As of 2019, there was a requirement to collect PPSN data from students. Accommodating the PPSN data field within the registration fields ensured all registering students had a method to include their PPSN data at registration and reduced the effort on administrative staff to collect these from students.

#### 3. Multiple grant records

With the introduction of the Student Universal Support Ireland (SUSI) we no longer make maintenance grant payments through the Banner system, however, by adapting this functionality it is now possible to make alternative payments to students e.g. postgrad payments and the Student Assistance Fund (SAF). These payments were previously processed through the Finance system Agresso, requiring each individual student to be set up as a supplier; in some cases, the student may only ever receive one payment. The adaptation of the existing Banner functionality has replaced the need for this to be done in Agresso.

## Student Credentials System

We implemented some key product enhancement changes on the Student Credentials System, Digitary Core, during 2019 as outlined below.

### 1. CHESICC integration

By availing of the direct integration with CHESICC (Chinese Ministry of Education Verification Service), our clients are now able to receive original Chinese academic documentation from applicants along with verified English translations.

This integration covers 100% of Chinese students and allows the client to receive a digital document with PDF and XML versions.

### 2. Receiving Organisations

Being set up as a Receiving Organisation allows EduCampus clients to receive verified documents directly from applicants as well as from trusted issuing organisations.

By increasing this network of receiving organisation's it will also become possible to send verified documents directly to trusted organisations worldwide e.g. WES, DreamApply, UK Naric. This will simplify the process of credential verification.

When set up as a Receiving Organisation, our clients appear in the recipient list to over 2 million learners with Digitary accounts who can identify them and send verified documents directly to admission teams.

## Library Systems

During 2019, our library systems went through infrastructure upgrades to their database and operating system. Upgrades to the Koha LMS and the Coral ERM system were also completed ensuring the systems remain on the most up to date and supported versions of the software.

## HRM & Payroll System

In the HR and Payroll space, the system was upgraded to the latest version of the software for all clients. During this time the clients also availed of the monthly autopatches for security and bug fixes. The legislative year end release was completed successfully with updates to expected number of pay periods, which are now a mandatory requirement, and the End of Year statements, which now go directly to the employee from Revenue.

## Finance System

In 2019, the Service Team supported the roll out of the Finance upgrade project and eInvoicing programme of work, as well as maintaining business as usual support for all clients.

## eInvoicing

In 2019, EduCampus, on request from their clients, took on a project to deploy a common eInvoicing solution in order to ensure compliance with the European Directive on eInvoicing [(2014/55/EU public bodies must be able to 'to receive and process electronic invoices' (eInvoices) compliant with the European Standard (EN-16931)].

In partnership and collaboration with the OGP, EduCampus reviewed the eInvoicing Framework in place and agreed that it was a suitable option for our clients.

In order to provide more information to the clients and lay the foundations internally, EduCampus hosted a workshop between the OGP and the clients to provide further information on the legislation.

To aid the requirements gathering, EduCampus requested the clients to provide details on their internal invoice processing and identify their requirements for the type of invoices used.

To aid the requirements gathering and understanding of the processing, EduCampus carried out some site visits in order to work with the key resources and document the process.



Throughout the year, EduCampus and the clients attended numerous workshops hosted by OGP and other eInvoicing customers which enabled us to meet with and discuss the various approaches people were taking to become compliant.

After the research and analysis, EduCampus and our clients decided that compliance and innovation were our key drivers. As all our clients use the same Financial Management System (FMS) and all had agreed to use the same eInvoicing Access Provider and solution, EduCampus decided to use this opportunity to integrate the eInvoicing solution into the FMS.

By taking this approach, the opportunities and benefits which eInvoicing introduces for our clients include:

- Reducing effort demands to process invoices enabling resources to work on higher value-adding activities;
- Address issues/inconsistencies in the creation of Purchase Orders (POs) to maximise workflow automation and reduce manual intervention;
- Reduce volume of paper received, processed and stored;
- Streamline Accounts Payable procedures;
- First step in fully automated end-to-end purchase to pay process.

To achieve this, EduCampus have broken the project into two phases to be delivered in 2020. Phase One will deliver the Access Provider (AP) portal and associated functionality enabling clients to receive eInvoices from suppliers for manual download and upload to their FMS, thus being compliant with the European Directive 2014/55/EU on eInvoicing in public procurement. This initial phase focuses on compliance only. Phase 2 will deliver further functionality to integrate the solution into each clients FMS, i.e. registering invoices and related workflow processing.

## Client Engagement

### 1. Establishment of the Digitary Core User Group

During 2019, EduCampus established the Digitary Core User Group (DCUG), whose mission is to provide a forum for discussion and knowledge sharing relating to the use of the Digitary Core application so as to maximise the use of Digitary and business benefits that can be derived from it.

The User Group membership comprises of representatives of each EduCampus client that operate the Digitary core system. The individual members are Digitary Core Subject matter experts (SME's) from the sector, with practical knowledge and interest in one or more key Digitary process areas. This hands-on knowledge will help inform the Group and greatly improve the use of Digitary.

The User Group provides a forum for sharing knowledge, experience and best practices between EduCampus clients that are Digitary users and provide a platform to receive presentations on potential new Digitary functionality.

It can also be used to provide feedback to EduCampus, Digitary and other groups as appropriate and facilitate focus groups for requirements gathering.

### 2. Service Transition

In 2019, the Service Management Team identified the service transition process as a key area for development to improve client service and the delivery of operational excellence. This process manages the introduction of new or upgraded services from project phase into business as usual. It allows the team to assess the health of a new service and the readiness of all parties to support its introduction. A key component of this process is the Service Acceptance Checklist, which allows the Service Team to run through key areas of a service to assess the readiness of the associated product, people and processes.

This checklist typically goes through multiple iterations as the project nears the latter stages of UAT and into go-live. The outputs from this include a finalised checklist with follow up actions that pass through to our team, an updated Service Portfolio matrix and an updated service knowledge base.

The process has delivered the following benefits:

- Increased understanding, assessment and management of risk level during and after change;
- Seamless handover for the client from project team to the service management team;
- Increased understanding of the challenges faced during a project and effective management of any residual issues;
- Relationship building with the client project team/key users and the EduCampus Service Management Team, building on knowledge for both parties;
- Increased accountability for the vendor to handover a quality service and to deliver on agreed SLA from day one of Business as Usual support;
- Clear expectations of deliverables to BAU from a project team.

The process has also facilitated the introduction of a Service Pipeline for the Service Delivery Team, allowing us to view at a glance the projected flow of projects that will be included in the scope of services delivered. Since its introduction in October 2019, we have seen 30+ projects and releases delivered and accepted to our service portfolio. The services are delivered across upwards of 350 different environments, ensuring that testing and testing and Disaster Recovery (DR) facilities are available in addition to production environments accessible on a 24/7 basis.

## Achievements in Solutions Development

During 2019, EduCampus continued its work to stabilise and improve the MIS applications taken over in 2015 with cloud based enterprise systems now in place for:

- HRM and Payroll - CoreHR
- Student Credentials - Digitary
- Library Management - Koha and associated products
- Finance Management - Business World

### HRM and Payroll System - CoreHR

A project to upgrade 13 client instances of CoreHR's system to the latest version (v27) commenced in mid-February 2019. Following the successful pilot upgrade in late March for Athlone Institute of Technology (AIT), the Solutions Development team upgraded all remaining instances throughout the year. The programme was completed on schedule in November 2019.

Further parallel projects were commenced in 2019 to deliver additional modules in the new version of CoreHR's product, and to ensure a uniform level of functionality within the sector. The scope included the implementation of CoreExpense to one client, CoreRecruit for five clients, and the rollout for all clients of HR Admin on the Web, part-time PRSI, and Single Sign On (SSO). These projects were completed for several clients in 2019 and this programme of work will continue up to Quarter 2 2020.

### Finance Management System - Business World

The pilot implementation of Unit4's Business World solution was successfully completed in Waterford Institute of Technology (WIT) in April 2019. In November 2019, the project to implement the system at the validation site, Letterkenny Institute of Technology (LyIT), was also completed. Rollout to remaining clients is underway, with the commencement of two further implementations in November, and this programme of work is planned to continue into 2020.

### **Library Management System - Koha and associated products**

During 2019, the Solutions Development team engaged with the Houses of the Oireachtas, a new client of EduCampus, to implement a project to deliver a Library Management System. A Project Working Group was established, and the project commenced in August 2019. The Koha system was successfully deployed in November 2019.

### **Student Credentials - Digitary**

Solutions Development led a project for University of Limerick and Mary Immaculate College to provide an upgrade of the Digitary system to both organisations. A Project Working Group was established that included representatives from both institutions to provide governance for the project throughout. The project commenced in May 2019 and the system was upgraded successfully in December.

### **Student Records Management System (SRMS)**

Following the submission of a formal proposal to the Department of Education and Skills (DES), based on the Public Spending Code requirements of The Department of Public Expenditure and Reform (DPER), EduCampus received approval on 14 February 2019, from the DES and the Higher Education Authority (HEA) to proceed to tender stage for SRMS project.

On receipt of the approval, the tender process was commenced on 15 February 2019. The first phase of the process, involving a pre-qualification questionnaire, concluded on 23 April 2019, and an Invitation to Participate in Dialogue (ITPID) document was issued to successful participants on 26 April 2019. This commenced the Dialogue Phase of the process which concluded on 12 December 2019. During the Dialogue Phase the Tender Evaluation Team (TET) engaged in several rounds of dialogue with all participants.

The TET also convened a User Evaluation Group (UEG) to assist during the Dialogue Phase in the assessment of the fitness for purpose of participants' proposed solutions. The UEG engaged with participants in detailed application evaluations and completed an assessment of the fitness for purpose of participants' proposed solutions, reporting back to the TET.

A formal Invitation to Submit a Final Tender (ITSFT) document was issued on 18 December 2019 to successful participants from the Dialogue Phase. The Tender Phase is planned to conclude in Quarter 1 2020 following which the preferred bidder will be appointed.

### **Other Achievements**

As EduCampus continues to expand both its client base and the range of services offered, so too has the need to ensure that the staff portfolio have capacity, skillset, and expertise to excel in their performance. To that end, during 2019, EduCampus have hired several new employees including a Procurement and Contract Manager; additional Service Liaison Officers; Project Managers and Business Analysts. A process was also initiated in 2019, to hire a Communications Officer, which was concluded in early 2020. All of these resources will enhance the client relationship which is paramount to the EduCampus engagement model.

## PLANS FOR FUTURE PERIODS

Having delivered on our strategic commitments in 2019, EduCampus plans to:

- Continue our commitment to quality in the design, implementation and operation of the environments and services we provide;
- Continue to implement, maintain and support the business critical systems for our client community;
- Expand our client community and develop quality solutions for that expanded client base;
- Engage with stakeholders to develop and seek Board approval for its Strategic Plan covering the period 2020-2024.

### Strategic Plan 2020-2024

EduCampus undertook significant engagement with Stakeholders in 2019 to develop a Strategic Plan for 2020-2024. This draft plan was presented for consideration to the EduCampus Board in December 2019 and will be brought forward for approval in Quarter One 2020.

The strategic direction for 2020-2024 is presented in the following themes:



Figure 1.5

- **Leadership** - EduCampus will provide transformational leadership in the implementation of shared services across the higher education sector;
- **Growth** - In the last year, EduCampus' client community has grown. In addition to the Institutes of Technology, EduCampus also provide services to Technological University Dublin, University of Limerick, the Houses of the Oireachtas, and Trinity College Dublin through our Education Shared Business Services (ESBS) arrangement. Going forward, EduCampus will evolve and expand its services and systems through client collaboration, in order to provide new applications to our ever-expanding client base;
- **Culture of Collaboration** - The EduCampus Engagement Model is based on continuous collaboration with our client community. We work to understand the requirements of new and existing systems and deliver solutions based on these;
- **Enabling Innovation** - EduCampus will continuously adapt to the changing needs of its clients. By harnessing new and emerging concepts in the higher education sector, we will work to develop processes and structures that better support our clients;
- **Enhanced Shared Services Delivery** - By collaborating with our client base, we aim to recognise the culture and strategic goals of these individual organisations. By providing strategic leadership, EduCampus will enable our clients to meet their objectives by utilising their skills and extensive experience. EduCampus will continue to leverage our team's expertise and embrace new and innovative approaches and solutions.

## Targets for next year

EduCampus has continued to build on the momentum established under the MIS Refresh programme and has now embarked on a programme to modernise the largest systems in the portfolio, the Student Record Management System (SRMS) and associated infrastructure. As outlined above, the tender process for an upgrade or replacement of the SRMS is on target for completion in early 2020 and the project to implement the chosen system is expected to commence in the second half of the year. This work will be undertaken with significant support from key representatives of our client community, who have engaged with EduCampus to define the requirements of a modern Student Record Management System. This will ensure the solution delivered will meet with our clients' objectives of delivering excellence in teaching and research.

Technological University Dublin (TU Dublin) became Ireland's first Technological University on 1 January 2019. It has been agreed that EduCampus will be the technology partner to TU Dublin in completing the consolidation of their MIS systems into a single system per service. Work will continue throughout 2020 on implementing these fully consolidated systems for the University.

Having modernised four of our MIS systems through the MIS Refresh programme, there has been significant interest in EduCampus' services from the wider Higher Education and Research Sector in Ireland. To date, we have welcomed four new institutions from the sector as clients who have availed of a range of services including the HRM & Payroll system, the Student Credentials system and the Library Management system. It is anticipated that there will be sustained demand during 2020 and EduCampus will continue to expand its client base throughout the year.

## 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 Committee throughout the year.

There is a corporate risk register that identifies and classifies risks into one of seven pre-defined enterprise-wide risk categories. Risks are scored according to likelihood of occurrence and potential impact, and this tool is used to identify gaps and design an appropriate control environment. The Board defined risk categories are:

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

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

This is a risk that is recognised under the business continuity category and the potential impact on the business could materialise as operational, financial or human.

As a technology company, EduCampus is well positioned to manage disruption that is associated with travel and business restrictions. The company's business continuity plan was activated in mid-March 2020. The office was closed and all staff were able to successfully work remotely. Management are confident that the business could continue to operate successfully for a sustained period using remote working practices, although the health, well-being, and particularly mental health, of all staff would need to be monitored as a priority.

Operationally, EduCampus systems are hosted in a number of data centres that comply with industry best practices. Occasional site visits are undertaken for monitoring and maintenance purposes will be inevitable over time. EduCampus has in place a number of support contracts with trusted vendors and, given that information technology businesses are on the Government's list of essential services, there is no reason to believe that continued maintenance of these services will prove challenging.

The most significant risk arising from the event may ultimately materialise financially, albeit with a delayed impact. It is obvious that the Government's financial position will be drastically different looking into 2021 compared to what was expected in 2020. The cost of state interventions to support the health service and economy, both during and after the pandemic, will be significant and will inevitably affect all areas of state spending. The only potential bright spot is that this event will highlight the need for continued investment in technology in education at all levels, and our partners in the Department of Education and Skills made clear their support for EduCampus during the crisis.

The EduCampus grant funding for 2020 has been confirmed as being in place for the remainder of the year. Having reviewed revised cashflow forecasts and budgets for 2020 and early 2021, and considering the reserves and cash balances, EduCampus management are confident that the company can continue as a going concern for the next twelve months.

**The loss of an anchor client and associated client income is a risk that is recognised under the categories of funding, value for money and orientation to market:**

- EduCampus is a very typical shared-service provider. The strength and viability of its service offering, as well as income to cover the balance of its operating costs is earned from revenue associated with client institutions’;
- The continuing policy of mergers within the Institutes of Technology network to create the Technological Universities is being monitored by EduCampus, both operationally in terms of service usage, but also in terms of impact to the funding model which is currently based on a ‘top-slice’ basis.

**The business continuity category includes the risk relating to the adequacy of cyber-attack preparedness:**

- The risk of cyber-attack continues to exist, and phishing type attacks have seen a steady increase worldwide. EduCampus continues to prepare insofar as possible. This includes providing security awareness training for all staff members with emphasis on phishing. There has also been a focus on cyber-attack preparedness in relation to services provided by EduCampus.

**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

In line with the continuing MIS refresh project, the level of business activity increased in 2019 compared to 2018. The turnover for the year ending 31 December 2019 was €9,936,819 (2018: €9,383,471).

The only equity held by the company amounted to €100 (2018: €100), which represents shares issued on the date of its incorporation. There is no surplus or deficit recognised in the financial statements in 2019 (2018: €0), because all state grant funding 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.

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

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

### EduCampus income in 2019

The majority of state grant funding is received from the Department of Education and Skills via the Higher Education Authority. This income amounted to €9,290,005 (2018: €9,023,691). There was a significant increase in income earned from providing MIS services to other clients. This income was €646,814, which was a sizeable increase on 2018 (2018: €359,780). The objective of expanding EduCampus's client base continues to be a strategic objective and a priority of management, in line with the on-going MIS refresh project.

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

#### Closing balance sheet position at end of year

There is no equity in the company other than the €100 (2018: €100) share capital created on incorporation. At 31 December 2019 the company's total assets amounted to €3,491,274 (2018: €4,580,162) which was a decrease of €1,088,888 compared to 2018.

The value of fixed assets is €106,354 (2018: €212,012). The addition in the year was an amount of €4,700 being a leasehold improvement to upgrade the lift in the office. This will be depreciated in line with the remaining lease term. The total depreciation and amortisation charge in the year was €110,356 (2018: €125,096).

The cash balance was €2,449,711 (2018: €2,947,589). The reduction in the cash balance represented movements in working capital, rather than reduced liquidity, specifically there was a focus on reducing trade creditors at year end to smooth the transition to EduCampus's new finance system. All cash is held in demand deposit accounts. Debtors at year end include prepayments of €786,129 (2018: €839,866). The only grant receivable at year end is €9,082 (2018: €522,900).

In liabilities, the company's outstanding trade creditors are €220,685. As noted above this is a significant reduction on 2018 (2018: €1,771,778). The portion of deferred grant recognised in creditors was €905,000 (2018: €1,845,511). The movement here represented more of the deferred grant being classified as a long-term liability. Overall deferred grants increased by €367,074 to a closing balance of €2,532,684 (2018: €2,165,510).

The group does not have any loans or other borrowings outstanding (2018: €0m).

### Key performance indicators

Key Performance Indicators for EduCampus Services DAC	2019	2018
MIS Project expenditure/ total expenditure	8%	5%
Payroll cost/total cost	17%	14%
Staff turnover in %	6%	13%
Training days per staff member per year	1.5	2.4
Cash reserves	€2.44m	€2.95m
Number of clients	17	14
Average number of employees	19	15

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Introduction

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

EduCampus Services is governed by the Companies Act 2014 and the specific legal obligations set out in the legislation. The Board of Directors of EduCampus Services are committed to following best practice corporate governance and comply with the Code of Practice for the Governance of State Bodies as far as practical and possible.

EduCampus Services is a Designated Activity Company with a majority share capital holding of 92% held by HEAnet, as its parent company.

The company has charitable tax status and is registered with the Charities Regulatory Authority (CRA). As a registered charity, EduCampus Services makes an annual return to the Charities Regulator and files annual financial statements. During 2020, the company will ensure it is compliant with the Charities Governance Code.

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

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

The Group governance structure is illustrated as follows:

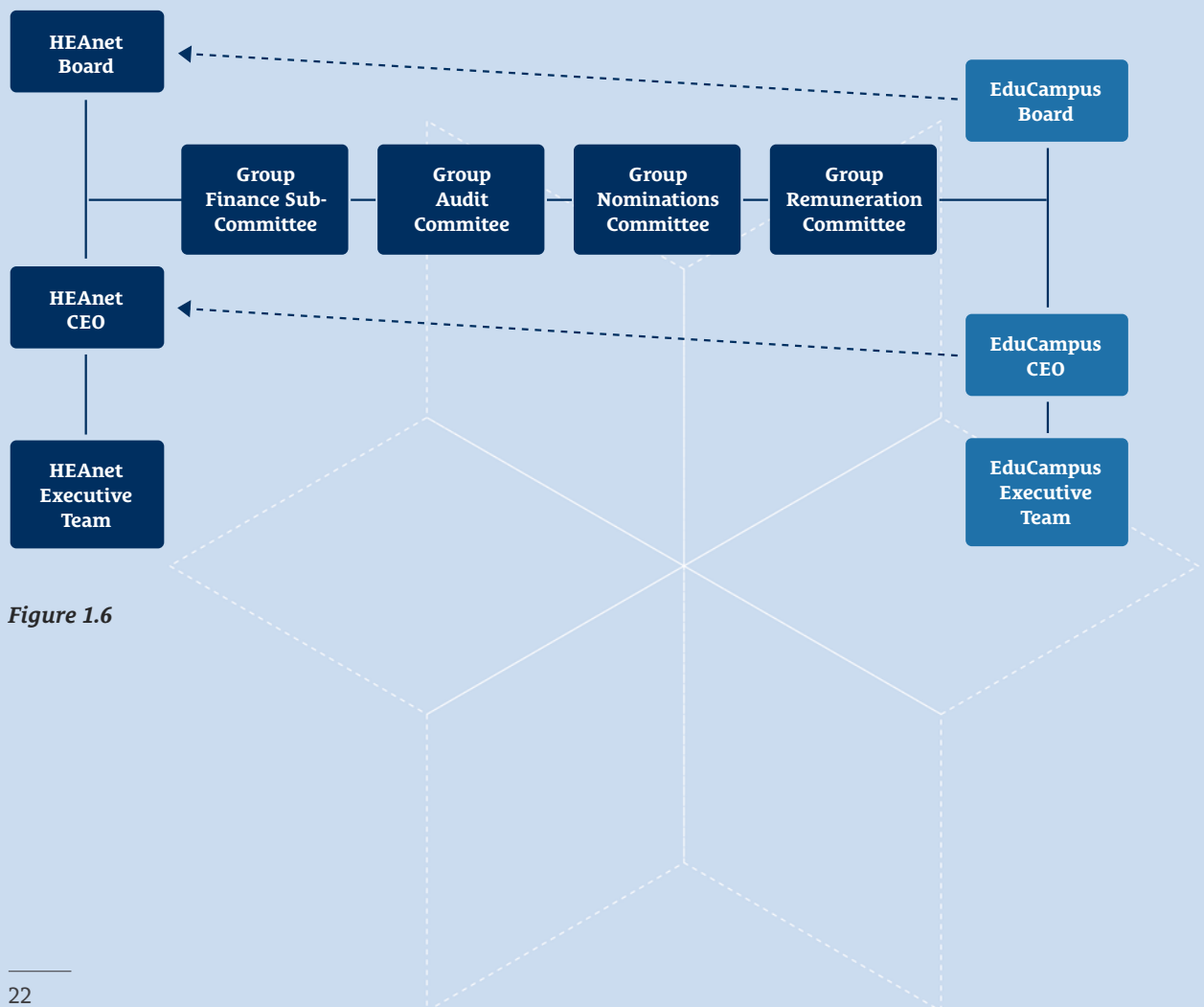


Figure 1.6



## EduCampus Services Board of Directors

### Board Structure

As per the Constitution, there should be a minimum of four directors and a maximum of twelve directors, unless otherwise required by a majority of the members of the Company. The appointment of each director of the Company is subject to the prior written approval of the members in conjunction with their voting rights. However, the Chair of the Board of Directors of HEAnet and the Chief Executive of HEAnet are ex-officio directors on the Board of EduCampus Services.

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

Directors are appointed for a term of four years and may be re-appointed for a second term of four years but may not be appointed for more than two consecutive terms of four years, at the end of which a director must retire from office. No director may be appointed for a third consecutive term. A Director may be re-appointed to the Board of Directors after a period of four years has elapsed since that director's last term of office.

The directors of EduCampus Services who served during the financial year ended 31 December 2019 are listed below:

Name	Resigned/Retired
Ms Sheena Duffy	
Ms Mary Kerr	
Mr Tadhg Leane	September 2019
Ms Barbara McConologue	
Professor Mike Murphy	
Ms Kerrie Power	
Dr Joseph Ryan (Chair)	
Professor Anne Scott	
Mr Thomas Stone	

### Board Responsibilities

The EduCampus Services Board met five times during 2019 - in January, March, May, September and December.

The work and responsibilities of the Board are set out in<sup>2</sup>:

- The EduCampus Services Board Charter
- The Schedule of Items Reserved Functions which also contain the matters specifically reserved for Board Decision
- The Code of Business Conduct for Directors

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

- Report from the Chief Executive
- Declaration of interests
- Reports from committees
- Financial reporting and budgeting
- Corporate Governance

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

- Approved the EduCampus Services audited statutory accounts for financial year ending 31 December 2018 and met with the external auditors;
- Reviewed the quarterly financial statements;
- Discussed and considered project and funding updates in relation to the EduCampus Services MIS Refresh Project;
- Received and discussed EduCampus Services CEO and Operations update reports;
- Discussed and approved major contracts;
- Received the Group Audit Committee's quarterly and Annual Report for 2019 and reviewed the HEAnet Group's Risk Management Framework;
- Reviewed the EduCampus Services board-level Risk Register and risk management approach;
- Reviewed the recommendations from the internal audits conducted in 2019 and noted progress made on implementing internal audit recommendations;

<sup>2</sup> 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."

- 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 2017 to 31 August 2018;
- Progress against the gap analysis report to monitor compliance with the Code of Practice for the Governance of State Bodies was reviewed during the year;
- An internal review and evaluation of the performance and effectiveness of the EduCampus Services Board and the Group Audit Committee was conducted using the questionnaires from the Code of Practice for the Governance of State Bodies<sup>3</sup>. An external review and evaluation are planned in 2020;
- Considered and approved the company budget for the period 2019 to 2021;
- Reviewed the company's preparations for compliance with the General Data Protection Regulation (GDPR) and Freedom of Information Act 2014.

- The composition of the HEAnet and EduCampus Services Boards with respect to diversity, stakeholder representation and skills required for alignment with research, innovation and industry.
- The effectiveness of HEAnet and EduCampus Services Boards in promoting the use of ICT shared services for the education and research sectors.
- Each Board's focus on delivering the HEA, DES and National Shared Services Strategies.

Throughout the year, the EduCampus Services Board reviewed and tracked progress to implement the recommendations to strengthen and clarify the group structure.

- A Collective Intelligence Workshop facilitated by Dr Mike Hogan, NUI Galway was attended by the directors and executive of both HEAnet and EduCampus Services in February 2019 to explore opportunities and collaborative strategic objectives that may help to advance the success of HEAnet and EduCampus Services;
- The University Information Systems (UIS) report produced by the University Information Systems Sub-committee with the assistance of Ms Mary Crowe, Consultant, was accepted by the two Boards as a useful and beneficial report to assist with the development of a Group Strategy;
- A HEAnet Group Strategy Steering Group was formed to progress a Group Strategy (further information on the work of the committee is included below);
- During the year, work commenced on the next phase of the strategy plan for 2020 - 2024 which will be approved in 2020;
- Quarterly meetings were held between HEAnet, EduCampus Services, the Department of Education & Skills and the HEA throughout the year to share information and progress a new funding model. An Oversight Agreement and Performance Delivery Agreement between the parties is being progressed.

In addition, the Board undertook the following major activities during 2019:

- The findings and recommendations from the independent HEAnet Group Governance Review (commissioned by the HEAnet Board mid-year 2018) were reviewed and discussed at EduCampus Services Board meetings during 2019. The report considered:
  - The Group's governance structures - including the Board, committees, reporting lines and accountability.
  - The appropriateness of governance documentation.
  - The appropriateness of the structure in supporting and encouraging the use of ICT shared services in the education and research sectors.

<sup>3</sup> Code of Practice for the Governance of State Bodies Section 4.6 Performance Review – “the Board should undertake an annual self-assessment evaluation of its own performance and that of its committees. An external evaluation proportionate to the size and requirements of the State body should be carried out at least every 3 years.”

## HEAnet Group Committees

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

### Group Audit Committee<sup>4</sup>

The purpose of the Audit Committee is to assist and where relevant make recommendations to the Boards of HEAnet and EduCampus Services on the discharging of its 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, and the Audit Committee agrees an internal audit plan for a rolling three-year period. The internal auditors undertake an annual System of Internal Financial Control Audit, as well as other risk-based audits that focus on key business areas identified in the Risk Register.

During 2019, the Committee met on four occasions and considered the following matters:

- Reviewed the audited annual statutory accounts for the period ending 31 December 2018 and met with the external auditors;
- Reviewed the risk management framework, including the risk appetite statement, risk management policy and risk register over the course of its four meetings and reported to both Boards on its findings and recommendations at year end;
- The Committee reviewed and agreed the Internal Audit Plan 2019 - 2021;
- Reviewed the findings and recommendations of the 2019 Internal Audits and met with the internal auditors on several occasions during the year;
- As part of the Committee's responsibility to ensure the effectiveness of fraud management in HEAnet and EduCampus Services, the Committee commissioned a new fraud management policy during the year. Board approval is currently in train;
- The Committee reviewed its effectiveness as a committee and considered the findings and recommendations from the annual effectiveness questionnaire (Code of Practice for the Governance of State Bodies);
- Tailored training for the Audit Committee members was arranged in November 2019.

## Members of the Group Audit Committee

### EduCampus Services:

- Ms Mary Kerr

### HEAnet:

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

## Group Finance Sub-Committee

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

The Finance Sub-committee met on four occasions during 2019 and considered the following matters:

- Reviewed the quarterly management financial statements and considered the general financial state of HEAnet and EduCampus Services;
- Reviewed the HEAnet and EduCampus Services audited statutory accounts for year ending 31 December 2018;
- Reviewed and approved the HEAnet budget for the period 2019 to 2021, and EduCampus Services budget for 2019 to 2022, including major capital grant applications for both organisations;
- Considered the financial implications and risks of major funded project activity;
- Reviewed the HEAnet and EduCampus Services Client Contribution Models for 2020;
- Determined and reviewed the long-term financial commitments of HEAnet and EduCampus Services;
- Reviewed HEAnet and EduCampus reserves statements.

<sup>4</sup> 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 Finance Sub-committee

### EduCampus Services:

- Mr Thomas Stone

### HEAnet:

- Ms Sheena Duffy
- Ms Rosemary Fogarty - Chair
- Ms Colette McKenna
- Professor Anne Scott

## Group Remuneration Committee

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

## Members of the Group Remuneration Committee

### HEAnet Remuneration Committee:

- Professor Anne Scott - Chair of the HEAnet Board of Directors
- Mr Sean O'Farrell - Chair of the Audit Committee
- Ms Sheena Duffy - member of the Finance Sub-committee

### EduCampus Services Remuneration Committee:

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

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

## University Information Systems (UIS) Sub-committee

The University Information Systems Sub-committee with the assistance of Ms Mary Crowe, Consultant, continued its work to promote the adoption of EduCampus Services, and to make recommendations in terms of a positive engagement with the organisation.

The objectives of the sub-committee are to:

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

## Members of the UIS Sub-committee

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

The Committee's report was presented and approved by the HEAnet Board at its meeting in February 2019 and endorsed by the EduCampus Services Board at its meeting in May 2019.

Both Boards acknowledged that the initiatives and recommendations outlined in the report are very useful and beneficial in the context of the group strategy planning process and group governance review.

The final meeting of the UIS Sub-committee took place in January 2019.

### **HEAnet Group Strategy Steering Committee**

The purpose of the HEAnet Group Strategy Steering Committee is to assist the Boards of HEAnet and EduCampus Services to develop an overall group strategic plan.

As part of its work, the Committee are considering the outcomes from the "Collective Intelligence Report (March 2019)", the recommendations from the "Deloitte Group Governance Review (December 2018)", and the initiatives and recommendations outlined in the "University Information System Report (December 2018)", and will also ensure that the development of a Group Strategy takes cognisance of the recommendation to enhance the current group structure and that the group focuses on supporting the HEA, Department of Education & Skills and the National Shared Services to deliver on their Strategies for the sector.

The Committee aim to present a draft Group Strategy to the EduCampus Services Board at its April 2020 meeting and to the HEAnet Board at its May 2020 meeting.

The following are the members of the Group Strategy Steering Committee:

#### **HEAnet:**

- Professor Anne Scott, Chair of the HEAnet Board of Directors
- Ms Kerrie Power, CEO of HEAnet
- Professor Mike Murphy (director representing the Board of HEAnet)
- Mr Ronan Byrne, HEAnet

#### **EduCampus Services:**

- Ms Barbara McConalogue (director representing the Board of EduCampus Services) - Committee Chair
- Dr Joseph Ryan, Chair of the EduCampus Services Board of Directors
- Mr Paddy Naughton, CEO of EduCampus Services

#### **The Department of Education & Skills:**

- Ms Deirdre McDonnell, National Shared Services

#### **HEA:**

- Ms Sheena Duffy (representing the HEA)

#### **Independent External member:**

- Mr Seamus Minogue, Enterprise Ireland

#### **Client Community:**

- Mr Patrick Magee (representing the IUA community)
- Dr Orla Flynn (representing THEA community)

### **Induction and training for Directors**

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

A two-year corporate governance development plan for the directors of HEAnet and EduCampus Services was agreed in September 2019 - a workshop on the new Charities Governance Code took place in January 2020 (deferred from December 2019), a workshop on "Culture and the Role of the Board" was held March 2020 and an update on "GDPR one year on" was presented to the Board at its March 2020 meeting.

## Board attendance and expenses

EduCampus Services directorships are on a pro-bono basis, as stipulated in the 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 aggregate expenses paid to EduCampus Services directors during 2019 was €nil (2018: €374).

Record of attendance at EduCampus Services Board Meetings for 2019.

### Meetings Attended 2019

	EduCampus Services Board Meeting	Group Audit Committee	Group Finance Sub-Committee
Ms Sheena Duffy	4 of 5		
Ms Mary Kerr	5 of 5	4 of 4	
Mr Tadhg Leane (resigned September 2019)	3 of 4		
Ms Barbara McConalogue	5 of 5		
Prof Mike Murphy	3 of 5		
Ms Kerrie Power	4 of 5		
Dr Joseph Ryan	5 of 5		
Prof Anne Scott	4 of 5		
Mr Thomas Stone	4 of 5		4 of 4

## REFERENCE AND ADMINISTRATIVE DETAILS

### Ordinary members

The ordinary members of EduCampus Services are:

- Mr Brian Carolan 1 Share
- Company Management Services 2 shares held in trust
- 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

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 2019.

### Internal financial control

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

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

- adopting best practice corporate governance principles as described in the 2016 Code of Practice for the Governance of State Bodies;
- clearly defined management responsibilities including segregation of duties and authorisation limits are in place for control of purchasing, payments, receipts and payroll;
- a comprehensive annual budgeting process that is reviewed and approved by the finance committee and the Board. The Board reviews financial reports and performance against budget throughout the year;

- establishing formal procedures to monitor the activities and safeguard the assets of the organisation;
- the Audit Committee meet on a regular basis to discuss risk management, including financial risks. They also receive periodic reports from an outsourced internal audit function, which always includes an annual review of the system of internal financial controls;
- reserving a schedule of matters for decision of the Board.

Through the steps above the Board has reviewed the effectiveness of the system of internal control in 2019.

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

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

#### **Board Fees**

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

#### **Board meetings and attendance**

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

### **Termination / severance payments and agreements**

There was no termination or severance payments and agreements made in 2019.

### **Employee Short-Term Benefits Breakdown**

The Code requires that the State bodies provide information in relation to short-term employee benefits in relation to services rendered during the reporting period where those benefits exceed the threshold of €60,000 - the 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 7 in the financial statements.

The code requires specific disclosures in relation to termination payments over €10,000. There were no redundancies in 2019.

### **Disclosure of key management personnel compensation**

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

### **Legal Costs and Settlements**

There were no costs relating to fees for legal proceedings or settlements in 2019. 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:

	2019	2018
Legal	€20,510	€24,682
Tax and Financial advisory	€21,532	€19,372
Public relations and Marketing	-	-
Pension and Human resources	-	-
Consultancy other	€36,272	€15,960
<b>Total</b>	<b>€78,314</b>	<b>€60,014</b>

## Travel and Subsistence and Hospitality Expenditure

Travel and subsistence and Hospitality expenditure are categorised as follows:

	2019	2018
National Travel	€45,189	€33,273
International Travel	€182	€202
Hospitality	€20,401	€13,679
<b>Total</b>	<b>€65,772</b>	<b>€47,154</b>

## Statement of Compliance

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

## Events since the end of the financial period

Coronavirus disease 2019 (COVID-19) is an infectious disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2). The disease was first identified in 2019 in Wuhan, the capital of China's Hubei province, and has since spread globally, resulting in the ongoing 2019-20 coronavirus pandemic. The earliest known infection occurred on 17 November 2019 in Wuhan, China.

The World Health Organisation (WHO) declared the 2019-20 coronavirus outbreak a Public Health Emergency of International Concern (PHEIC) on 30 January 2020 and a pandemic on 11 March 2020. COVID-19 is considered to be a non-adjusting event for EduCampus at 31 December 2019. Our consideration of the impact of COVID-19 and our response to same is detailed on page 19. With the exception of COVID-19, there were no other significant events which occurred between 31 December 2019 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 2019.

## Research and development

The company did not engage in research and development activities during the period ended to 31 December 2019.

## 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

**Professor Anne Scott**  
**Mr Thomas Stone**

**30 April 2020**



## Statement on Internal Control

### 1. Responsibility

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

### 2. Effectiveness

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

### 3. Key control procedures

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

- clearly defined management responsibilities, including segregation of duties, and authorisation limits for approvals of payments;
- adopting best practice corporate governance principles as described in the 2016 Code of Practice for the Governance of State Bodies;
- establishing formal procedures to monitor the activities and safeguard the assets of the organisation;

- a comprehensive annual budgeting process that is reviewed and approved by the finance committee of the Board, and by the Board itself;
- regular financial reporting by management to the finance committee and the Board on performance against budgets;
- reserving a schedule of matters for decision of the Board.

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

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

- responsibility for reviewing the effectiveness of internal controls;
- reviewing the risk management framework (including the risk appetite and risk register);
- reviewing 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 EduCampus's risk register. The risk register is reviewed at every meeting of the Audit Committee, and the outcome of the discussion of risk at the Audit Committee is reported at each board meeting.

EduCampus's internal audit service in 2019 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 2019, two targeted internal audit reviews took place.

### **Review of the system of internal financial controls**

This review took place in July 2019 and the final report was presented to the Audit Committee by the internal auditor at the fourth meeting of the year, in November 2019.

### **Review of the arrangements in place to address the requirement of GDPR**

The objective of this internal audit work was to perform a review of EduCampus compliance with Data Protection legislation and regulations and specifically, to assess the adequacy of the controls in place in EduCampus which protect the confidentiality of personal and sensitive personal data obtained and processed.

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

### **4. Annual review of controls**

I can confirm that for the year ended 31 December 2019 the Board of EduCampus carried out a targeted review of the effectiveness of systems of internal controls.

### **5. Control weaknesses identified and reported in these accounts**

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

### **6. Corrective action for specified weaknesses**

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

### **7. Procurement**

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

**On behalf of the Board**

**Dr Joseph Ryan,  
Chairman**

## Statement of Responsibilities of Directors

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

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

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

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

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

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

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

### **On behalf of the Board**

**Professor Anne Scott**

**Mr Thomas Stone**

**30 April 2020**



## *Independent auditors' report to the members of EduCampus Services DAC*

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

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#### **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 2019 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 2019;
  - 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.

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

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

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

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

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## 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 on, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

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

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

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

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Trustees' / Directors' Report for the year ended 31 December 2019 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.

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## Responsibilities for the financial statements and the audit

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

As explained more fully in the Statement of Directors' Responsibilities, 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 company or to cease operations, or have no realistic alternative but to do so.

### *Auditors' responsibilities for the audit of the financial statements*

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

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

[https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](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.

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### *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.

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### **Other required reporting**

#### *Companies Act 2014 opinions on other matters*

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

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### **Other exception reporting**

#### *Director's remuneration and transactions*

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



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

**30 April 2020**

## Statement of Comprehensive Income and Expenditure

Financial Year Ended 31 December 2019

	Notes	2019 €	2018 €
<b>Income</b>			
Funding body grants	5	9,290,005	9,023,691
Client connectivity income		-	-
Other client income	6	646,814	359,780
Investment income		-	-
<b>Total income</b>		<u>9,936,819</u>	<u>9,383,471</u>
<b>Expenditure</b>			
Staff costs	7	(1,656,867)	(1,277,419)
Direct costs of services sold	8	(1,081,701)	(929,789)
Administration expenses	8	(844,742)	(849,234)
Other operating expenses	8	(6,353,509)	(6,327,029)
<b>Total expenditure</b>		<u>(9,936,819)</u>	<u>(9,383,471)</u>
<b>Result before other gains and losses</b>		-	-
Gain/(loss) on disposal of fixed assets		-	-
<b>Total comprehensive income for the year</b>		<u>-</u>	<u>-</u>
Represented by:			
- Restricted comprehensive income for the year		-	-
- Unrestricted comprehensive income for the year		-	-
		<u>-</u>	<u>-</u>
All items of income and expenditure relate to continuing activities			

## Balance Sheet

As at 31 December 2019

	Notes	2019 €	2018 €
<b>Non-current assets</b>			
Intangible assets	9	-	-
Tangible assets	10	106,354	212,012
Financial assets		-	-
Total fixed assets		<u>106,354</u>	<u>212,012</u>
<b>Current assets</b>			
Trade and other receivables	11	938,209	1,420,561
Cash and cash equivalents		<u>2,446,711</u>	<u>2,947,589</u>
		3,384,920	4,368,150
Less: <b>Creditors</b> (amounts falling due within one year)	12	<u>(1,757,137)</u>	<u>(4,048,050)</u>
<b>Net current assets</b>		<u>1,627,783</u>	<u>320,100</u>
<b>Total assets less current liabilities</b>		1,734,137	532,112
<b>Creditors</b> (amounts falling due after more than one year)			
Deferred grants	14	(1,627,683)	(320,000)
Capital grants	14	<u>(106,354)</u>	<u>(212,012)</u>
		<u>(1,734,037)</u>	<u>(532,012)</u>
<b>Total net assets</b>		<u>100</u>	<u>100</u>
<b>Restricted reserves</b>			
Income and expenditure reserve - restricted reserve	16	-	-
<b>Unrestricted reserves</b>			
Income and expenditure reserve - unrestricted	16	<u>100</u>	<u>100</u>
<b>Total reserves</b>		<u>100</u>	<u>100</u>

The financial statements were approved by the Governing Body on 30 April 2020 and were signed on its behalf on that date by:

**On behalf of the Board**

**Professor Anne Scott**

**Mr Thomas Stone**

**30 April 2020**



## Statement of Changes in Equity

Financial Year Ended 31 December 2019

	Income and expenditure account		Share capital	Total
	Restricted	Unrestricted		
	€	€	€	€
<b>Balance at 1 January 2018</b>	-	-	100	100
Result from the income and expenditure statement	-	-	-	-
Other comprehensive income	-	-	-	-
Release of restricted funds spent in year	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	-
<b>Balance at 31 December 2018</b>	-	-	100	100
<b>Balance at 1 January 2019</b>	-	-	100	100
Result from the income and expenditure statement	-	-	-	-
Other comprehensive income	-	-	-	-
Release of restricted funds spent in year	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	-
<b>Balance at 31 December 2019</b>	-	-	100	100

## Statement of Cash Flows

Financial Year Ended 31 December 2019

	2019	2018
	€	€
<b>Cash flow from operating activities</b>		
Result for the year	-	-
<b>Adjustment for non-cash items</b>		
Amortisation of intangible assets	-	49,778
Depreciation on non-current assets	110,358	125,095
Profit/loss on disposal of tangible assets	-	-
Interest received	-	-
Decrease/(increase) in trade and other receivables	53,737	(573,640)
Decrease in prepayments	428,615	724,721
(Decrease)/increase in creditors	(2,290,913)	883,825
Increase/(decrease) in long term creditors	1,202,025	(1,168,331)
<b>Net cash (used in)/generated from operating activities</b>	<u>(496,178)</u>	<u>41,448</u>
<b>Cash flows from investing activities</b>		
Proceeds from sale of tangible assets	-	-
Purchases of intangible assets	-	-
Purchases of tangible fixed assets	(4,700)	(18,118)
Interest received	-	-
<b>Net cash used in investing activities</b>	<u>(4,700)</u>	<u>(18,118)</u>
<b>Cash flows from financial activities</b>		
Issue of ordinary share capital	-	-
Net cash used in financing activities	-	-
Net (decrease)/increase in cash and cash equivalents in the year	<u>(500,878)</u>	<u>23,330</u>
Cash and cash equivalents at beginning of the year	2,947,589	2,924,259
Cash and cash equivalents at end of the year	<u>2,446,711</u>	<u>2,947,589</u>
<b>Components of cash and cash equivalents</b>		
Cash and cash equivalents comprised:		
Cash at bank and in hand	2,446,711	2,947,589
Short term deposit	-	-
<b>Cash equivalents</b>	<u>2,446,711</u>	<u>2,947,589</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 Higher Education Authority and illustrates a renewed commitment to the next evolution of shared services delivery to the higher education sector as a whole.

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

### 2 Statement of compliance

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

### 3 Summary of significant accounting policies

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

#### (a) Basis of Preparation

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

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

#### (b) Going concern

EduCampus meets its working capital requirements by way of grant funding support from the Department of Education and Skills through the Higher Education Authority and client income. The current economic climate for government expenditure remains challenging. The company's revised 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 Coronavirus pandemic, continue to show that the company should be able to operate within the level of its current cash reserves. See the note included in the Trustees Report for further details on the specific reviews undertaken in relation to the Coronavirus. 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 2019.

**(d) Foreign currencies**

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

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

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

**(e) Income**

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

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

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

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

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

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

**(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, other short-term highly liquid investments with original maturities of three months or less. Cash and cash equivalents are initially measured at transaction price and subsequently measured at amortised cost.

**(l) Financial Instruments**

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

*(i) Financial assets*

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

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

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

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

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

*(ii) Financial liabilities*

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

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

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

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

*(iii) Offsetting*

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

**(m) Funds**

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

*(i) Restricted funds*

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

*(ii) Unrestricted funds*

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

*(iii) Designated reserves*

On occasion the Board designates certain elements of unrestricted funds to be used for a specific future purpose. There are no designated funds as at 31 December 2019 and 31 December 2018.

#### 4 Critical accounting judgements and estimation uncertainty

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

##### **Useful economic lives of tangible assets**

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





**5 Funding body grants**

	<b>2019</b>	<b>2018</b>
	€	€
<b>(a) Recurrent grant</b>		
EduCampus operational recurrent grants	8,258,219	8,278,809
<b>(b) Specific grants</b>		
MIS refresh project grant	830,855	469,461
Grants for Education Shared Business Service HRM Project	-	100,547
TU Dublin City Campus Funding	90,574	-
	<u>921,429</u>	<u>570,008</u>
<b>(c) Capital grants</b>		
Operational capital amortisation	41,131	89,027
Transition capital amortisation	69,226	85,847
	<u>110,357</u>	<u>174,874</u>
Total funding body grants	<u>9,290,005</u>	<u>9,023,691</u>

**6 Other client income**

	<b>2019</b>	<b>2018</b>
	€	€
MIS services charged to clients	646,814	359,781
	<u>646,814</u>	<u>359,781</u>

**7 Staff costs**

	<b>2019</b>	<b>2018</b>
	€	€
<b>Staff costs</b>		
Salaries	1,248,104	924,041
Seconded costs	144,449	144,630
Social security costs	129,507	96,221
Retirement benefit costs	108,394	87,856
Company sponsored health insurance	17,589	14,389
Company sponsored risk	8,824	10,282
<b>Total</b>	<b>1,656,867</b>	<b>1,277,419</b>

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

	<b>2019</b>	<b>2018</b>
	<b>Number</b>	<b>Number</b>
€60,000 - €69,999	2	2
€70,000 - €79,999	5	4
€80,000 - €89,999	2	1
€90,000 - €99,999	2	1
€100,000 - €109,999	1	1
€110,000 - €119,999	-	-
€120,000 - €129,999	-	-
€130,000 - €139,999	-	1
€140,000 - €149,999	1	-

Average staff numbers by major category:

Management	5	5
Administration	3	3
Project management/service delivery	11	7
	<b>19</b>	<b>15</b>

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

**Key management personnel**

Key management personnel have been identified as the directors (of whom none are appointed to any salaried office or position with the company), and senior management (5 personnel) (2018: 5). The total compensation paid to these personnel in 2019 was €594,832 (2018: €569,743) and this includes salary, pension contributions and health insurance contributions.

The Chief Executive's remuneration for 2019 was €143,380 (2018: €137,865)

**8 Analysis of total expenditure by activity**

	<b>2019</b>	<b>2018</b>
	€	€
Staff costs	1,656,867	1,277,419
Direct cost of services sold	1,081,701	929,789
Administration expenses	844,742	849,234
Other operating expenses	6,353,509	6,327,029
	<u>9,936,819</u>	<u>9,383,471</u>
Administration expenses include:		
Rent, Rates, Service Charge and Office Support	214,545	243,446
Depreciation and amortisation	110,358	174,873
Consultancy and Professional fees	45,484	49,924
External auditors remuneration in respect of audit services*	19,004	18,450
External auditors remuneration in respect of non-audit services*	2,411	2,337
	<u>2,411</u>	<u>2,337</u>
Other operating expenses include:		
MIS - IT Service Costs	5,318,937	5,002,542
MIS - Service Continuity	908,487	1,195,846
	<u>6,227,424</u>	<u>6,198,388</u>

\*Auditors remuneration is inclusive of VAT

**9 Intangible assets**

	<b>2019</b>	<b>2018</b>
	€	€
<b>Software licenses</b>		
<b>Cost</b>		
At 1 January	170,669	170,669
Additions in the year	-	-
Disposals	-	-
At 31 December	<u>170,669</u>	<u>170,669</u>
<b>Accumulated amortisation</b>		
At 1 January	(170,669)	(120,891)
Charge for the year	-	(49,778)
Disposals	-	-
At 31 December	<u>(170,669)</u>	<u>(170,669)</u>
<b>Net book value</b>		
At 31 December	<u>-</u>	<u>-</u>

## 10 Tangible assets

	Fixtures, fittings and equipment €	Computer Hardware €	Leasehold Improvements €	Total €
<b>Cost</b>				
At 1 January 2018	383,927	87,234	-	471,161
Additions	3,583	-	14,535	18,118
Disposals	-	-	-	-
At 31 December 2018	<u>387,510</u>	<u>87,234</u>	<u>14,535</u>	<u>489,279</u>
<b>Accumulated depreciation</b>				
At 1 January 2018	(106,990)	(45,182)	-	(152,172)
Charge for the year	(96,054)	(28,509)	(532)	(125,095)
Disposals	-	-	-	-
At 31 December 2018	<u>(203,044)</u>	<u>(73,691)</u>	<u>(532)</u>	<u>(277,267)</u>
<b>Net book value</b>				
At 31 December 2018	<u>184,466</u>	<u>13,543</u>	<u>14,003</u>	<u>212,012</u>
<b>Cost</b>				
At 1 January 2019	387,510	87,234	14,535	489,279
Additions	-	-	4,700	4,700
Disposals	-	-	-	-
At 31 December 2019	<u>387,510</u>	<u>87,234</u>	<u>19,235</u>	<u>493,979</u>
<b>Accumulated depreciation</b>				
At 1 January 2019	(203,044)	(73,691)	(532)	(277,267)
Charge for the year	(96,409)	(11,436)	(2,513)	(110,358)
Disposals	-	-	-	-
At 31 December 2019	<u>(299,453)</u>	<u>(85,127)</u>	<u>(3,045)</u>	<u>(387,625)</u>
<b>Net book value</b>				
At 31 December 2019	<u>88,058</u>	<u>2,107</u>	<u>16,190</u>	<u>106,354</u>
<b>Future asset purchase commitments</b>				
			<b>2019</b>	<b>2018</b>
			€	€
Contracted for but not provided for in the financial statements			-	-
Authorised by the Directors but not contracted for			-	-
			<u>-</u>	<u>-</u>

**11 Trade and other receivables**

	<b>2019</b>	<b>2018</b>
	€	€
Amounts falling due within one year:		
Trade debtors	92,261	-
Other debtors	48,384	57,795
Grant receivable at year end	9,082	522,900
Taxation and social insurance	2,353	-
Prepayments	786,129	839,866
	<u>938,209</u>	<u>1,420,561</u>

Other debtors do not include any provision for impairment.

**12 Creditors (amounts falling due within one year)**

	<b>2019</b>	<b>2018</b>
	€	€
Trade creditors	220,685	1,771,778
Intercompany creditors	-	-
Accruals	540,905	385,191
Taxation and social insurance	50,431	38,163
Deferred grants (note 13(b))	905,000	1,845,510
Deferred income	16,793	-
Other accrual	23,323	7,408
	<u>1,757,137</u>	<u>4,048,050</u>

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

VAT payable	-	3,605
PAYE	26,124	17,874
PRSI	16,942	11,217
Universal social charge	4,795	3,488
LPT	53	34
Company sponsored health insurance	2,517	1,945
	<u>50,431</u>	<u>38,163</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.

**13 Grants**

	<b>Other restricted grant</b>	<b>Restricted capital grant</b>	<b>Total 2019</b>	<b>Total 2018</b>
	€	€	€	€
<b>(a) Grants</b>				
Balance at beginning of year	433,050	1,732,460	2,165,510	2,427,544
Grants received/receivable during the year	8,627,875	923,646	9,551,521	8,604,900
Transfers within projects	-	-	-	-
	<u>9,060,925</u>	<u>2,656,106</u>	<u>11,717,031</u>	<u>11,032,444</u>
Less:				
Recurrent grants released to revenue (note 5(a and b))	(8,348,792)	(830,855)	(9,179,647)	(8,848,817)
Transfer to capital grants	(4,700)	-	(4,700)	(18,117)
Deferred grants at end of year	<u>707,433</u>	<u>1,825,251</u>	<u>2,532,684</u>	<u>2,165,510</u>

**(b) Grants due within/after one year**

Thereof:				
Amounts falling due within one year	-	905,000	905,000	1,845,510
Amounts falling due after more than one year	<u>707,433</u>	<u>920,251</u>	<u>1,627,684</u>	<u>320,000</u>
	<u>707,433</u>	<u>1,825,251</u>	<u>2,532,684</u>	<u>2,165,510</u>

Operational Grants recognised in the year is funding obtained from the Higher Education Authority and with the support of Institutes of Technology representative body, THEA. These grants are to be utilised in providing quality IT and MIS shared services to the higher education sector and no unfulfilled conditions were outstanding at the period ended 31 December 2019.

MIS refresh project grants recognised in the year is funding obtained from the Department of Education and Skills, through the Higher Education Authority. These were utilised to refresh the HRM and Payroll System and no unfulfilled conditions were outstanding at the period ended 31 December 2019.

**(c) Future purchase commitments**

	<b>2019</b>	<b>2018</b>
	€	€
MIS Refresh Project		
- HRM & Payroll System	595,577	729,179
- Student Credentials System	-	-
- Library System	-	191,484
- Finance System	2,115,756	2,567,462
Total MIS Refresh Project	<u>2,711,333</u>	<u>3,488,125</u>
HRM & Payroll System for new clients	-	-
Total contracted for but not provided for in the financial statements	<u>2,711,333</u>	<u>3,488,125</u>

### 13 Grants (continued)

#### (d) Analysis of deferred grants and grant income for the year ended 31 December 2019

Name of Grantor	Name of Grant	Purpose of Grant	Opening deferral 1 January 2019 €	Grant received 2019 €	Income and expenditure 2019 €	Closing deferral 31 December 2019 €	Reason for Closing Deferral
Department of Education and Skills through the Higher Education Authority	Vote 26 C.04	These grants are utilised in providing quality IT and MIS shared Services to the Institutes of Technology	433,050	8,627,875	(8,353,492)	707,433	Commitments in 2019 for 2020 expenditure
Department of Education and Skills through the Higher Education Authority	Vote 26 C.16	Funding the refresh of the HRM and Payroll System	-	-	-	-	
Department of Education and Skills through the Higher Education Authority	Vote 26 C.16	Funding the upgrade of CoreHR for TCD through ESBS	-	-	-	-	
Department of Education and Skills through the Higher Education Authority	Vote 26 C.16	Funding the refresh of the remaining Managed Information System	1,732,460	923,646	(830,855)	1,825,251	Future capital purchase commitments for the MIS refresh project
<b>Closing balance (Note 13(b))</b>			<u>2,165,510</u>	<u>9,551,521</u>	<u>(9,184,347)</u>	<u>2,532,684</u>	

<b>14 Creditors</b> (amounts falling due after more than one year)	<b>Notes</b>	<b>2019</b> €	<b>2018</b> €
Deferred grants	13(b)	1,627,683	320,000
Capital grants	14(a)	106,354	212,012
		<u>1,734,037</u>	<u>532,012</u>

**(a) Capital grants**

Balance at beginning of the year		212,012	368,768
Grants received/receivable during the year	13(a)	4,700	18,117
		<u>216,712</u>	<u>386,885</u>
Amortisation for the year		<u>(110,358)</u>	<u>(174,873)</u>
Balance at end of year		<u>106,354</u>	<u>212,012</u>

**15 Operating lease commitments**

	<b>2019</b> €	<b>2018</b> €
Minimum lease payment under operating leases recognised as an expense during the year	<u>99,398</u>	<u>99,398</u>
At period end, the company has outstanding commitments under non-cancellable operating lease that fall due as follows:		
<b>Buildings:</b>		
Within one year	99,398	99,398
Later than one year and not later than five years	473,795	503,614
Later than five years	-	69,578
Total lease payments due	<u>573,193</u>	<u>672,590</u>

The company had no off-balance sheet arrangements.



## 16 Share capital and reserves

### Equity Shares

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

	2019 €	2018 €
<b>Authorised</b>		
100 ordinary shares of €1 each	100	100
<b>Allotted and fully paid - presented as equity</b>		
100 ordinary shares of €1 each	100	100

### Profit and loss account

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

## 17 Related party transactions

### Parent and ultimate controlling party

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

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

On 1 March 2016, EduCampus Services became a client of HEAnet. Client contribution charges to HEAnet for 2019 was €10,674 (2018: €10,271 including set up costs).

Business support services were provided by HEAnet to EduCampus Services, which amounted to €345,031 (2018: €334,982).

Other services provided by HEAnet to EduCampus Services relate to Web-hosting, EduStorage, Moodle and Managed eduroam Radius Service. Other services charged by HEAnet for the period amounted to €14,123 (2018: €5,233).

The balance receivable in respect of all services provided by HEAnet to EduCampus Services at the year- end was €Nil (2018: €Nil).

Dr Joseph Ryan, director and Chairperson of EduCampus Services for the period 1 January 2019 to 31 December 2019, was also a director of An Chéim Computer Services Ltd for the period.

Ms Mary Kerr, director of EduCampus Services for the period 1 January 2019 to 31 December 2019, was also a director of An Chéim Computer Services Ltd for the period.

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

## 18 Contingent assets

A potential contingent asset exists at the end of 2019 in relation to the liquidation of the company An Chéim. An Chéim formerly provided MIS services to the IoT sector prior to the establishment of EduCampus. The residual funds in An Chéim on its liquidation in 2019 were transferred to An Chéim's original shareholder and controlling party, Technological University Dublin/TU Dublin (formerly DIT). At the time of the establishment of EduCampus in 2015, it was agreed that surplus funds arising on the liquidation of An Chéim could be made available to EduCampus to support the MIS refresh project. EduCampus is currently engaging with TU Dublin to understand how much of the residual cash may be made available to EduCampus, and when this could be transferred. On receipt, the funds would be recognised as income, and the amount ringfenced for the MIS project will be booked in a designated fund in reserves. In these accounts, no asset is currently recognised in relation to this.

## 19 Pension plans

The pension entitlements of employees arise under a defined contribution plan. The company's contribution charge to the profit and loss account for the year ended 31 December 2019 amounted to €108,394 (2018: €87,856).

## 20 Subsequent events

Coronavirus disease 2019 (COVID-19) is an infectious disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2). The disease was first identified in 2019 in Wuhan, the capital of China's Hubei province, and has since spread globally, resulting in the ongoing 2019-20 coronavirus pandemic. The earliest known infection occurred on 17 November 2019 in Wuhan, China. The World Health Organisation (WHO) declared the 2019-20 coronavirus outbreak a Public Health Emergency of International Concern (PHEIC) on 30 January 2020 and a pandemic on 11 March 2020. COVID-19 is considered to be a non-adjusting event for EduCampus at 31 December 2019. Our consideration of the impact of COVID-19 and our response to same is detailed on page 19. With the exception of COVID-19, there were no other significant events which occurred between 31 December 2019 and the date these financial statements were approved.

## 21 Approval of the financial statements

The directors approved the financial statements on 30 April 2020.





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