

BORD OIDEACHAIS AGUS OILIÚNA CHIARRAÍ
KERRY EDUCATION AND TRAINING BOARD

Kerry Education and Training Board

Financial Statements For The Year Ended 31st December 2020

Kerry Education and Training Board

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31st December 2020**

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Kerry Education and Training Board

Statement of Board Responsibilities

Kerry Education and Training Board was established on 1 July 2013 under the provisions of the Education and Training Boards Act 2013.

Section 51 of that Act requires the ETB to keep in such form and in respect of such accounting periods as may be approved by the Minister for Education with the consent of the Minister for Finance and the Minister for Public Expenditure and Reform, all proper and usual accounts of the monies received or expended by it.

In preparing those accounts, the Board is required to:

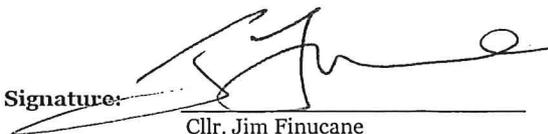
- (a) apply the standard accounting policies for the preparation of ETB financial statements
- (b) make judgements and estimates that are reasonable and prudent
- (c) disclose and explain any material departures from the standard accounting policies

The Board is responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Board and which enable it to ensure that the Financial Statements comply with section 51 of the Education and Training Boards Act 2013.

The Board is also responsible for safeguarding its assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Chairperson

Signature:



Cllr. Jim Finucane

Date:

18th November 2022

Kerry Education and Training Board

Statement on The System of Internal Control

Kerry Education and Training Board (Kerry ETB) came into being on 1st July 2013 under the provisions of the Education and Training Boards Act 2013. On that date, Kerry ETB took over the Assets, Liabilities and functions of the former Vocational Education Committees of county Kerry. With effect from 1st January 2014, Kerry ETB took over from SOLAS, the assets, liabilities and the management of the activities of their Training Centre.

The Code of Practice for the Governance of Education and Training Boards is set out in Circular Letter 002/2019, which was issued by the Department of Education to all ETBs in January 2019. This Code was adopted by the Kerry ETB Board at its meeting on 26th March 2019.

A new Board was constituted for Kerry ETB on 10th September 2019 and at its meeting of 22nd October 2019 the Board completed the appointment of its Finance and Audit & Risk Committees.

Responsibility for the System of Internal Control

As Chairperson of Kerry ETB, I acknowledge the responsibility of the Board for ensuring that an efficient, effective and economic system of internal control is maintained and operated. The system can only provide reasonable, and not give absolute assurance, that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely period.

Key Control Procedures

The Board has taken steps to ensure an appropriate control environment by:

- Clearly defining management and staff responsibilities.
- Establishing procedures for reporting potential and significant control failures and ensuring appropriate corrective actions.
- Establishing a formal risk management system involving procedures for identifying and evaluating all risks which could prevent Kerry ETB from achieving its objectives.

The system of internal control operated in Kerry ETB is based on:

- Detailed administrative procedures
- Segregation of duties
- Specific authorisations
- Internal checks
- Monthly management review of reports outlining the actual and budgeted results of programmes operated by Kerry ETB.

The Boards Oversight Framework

The Board's monitoring and review of the effectiveness of the system of internal controls is informed by the:

- Recommendations made by the Office of the Comptroller and Auditor-General (C&AG) in management letters or other reports.
- The Chief Executive Officer who has responsibility for the internal control framework.
- Work of the Audit & Risk Committee and Finance Committee.

Audit & Risk Committee

The Board's oversight of the system of internal control is informed by the work of Audit & Risk Committee who met six times in 2020. The work programme of the Audit & Risk Committee included consideration of:

- Internal audit reports
- External audit reports and the management letters of the Comptroller and Auditor General (C & AG)
- Annual Financial Statements
- Risk Management Framework
- Risk Register
- Audit Register
- Compliance Audit Report
- Risk Management Reports from the Director of Organisation Support and Development
- Opinion report to the board as to the adequacy and appropriateness of the systems of internal control

The Director of Organisation Support and Development and the Head of Finance met with the Audit & Risk Committee six times in 2020 and at each meeting provided various reports on the operation of controls and the ETB finances.

The Audit & Risk Committee reviewed the effectiveness of the system of internal controls for the relevant reporting period on 12th March 2021.

The review of the system of internal controls was completed as follows:

An internal controls questionnaire issued in January 2021 to all Directors, Schools, Centres, Programmes and Heads of Departments.

Once the questionnaires were completed by each Line Manager they were then filtered up through the Management chain for review. Where areas were highlighted as not being fully compliant an action plan was agreed to resolve the non-compliance.

In this manner the risks and issues as highlighted by the individual questionnaires were fed up the reporting line.

Composite returns were completed for each of the three pillars (1. Schools, Youth & Music 2. Further Education and Training and 3. Organisation Support and Development). These composite returns were compiled into a report which was presented to the Audit & Risk Committee.

The Audit & Risk Committee reviewed the Statement of Internal Control in conjunction with the internal controls questionnaire findings and were satisfied that the Statement of Internal Control reflected the internal controls of the ETB and the risks faced by the ETB.

Kerry Education and Training Board

Statement on The System of Internal Control

Finance Committee

The Board's oversight of the system of internal control is also informed by the work of Finance Committee who met five times in 2020. The work programme of the Finance Committee included consideration of:

- Annual Financial Statements 2020
- Recommendation to the Board of Annual Financial Statements for 2020
- Monthly Income and Expenditure Accounts
- Risk Management Reports from the Director of Organisation Support and Development.

The Chief Executive Officer, Director of Organisation Support and Development, Director of Further Education and Training and Head of Finance reported at the Finance Committee in 2020.

The Finance Committee reviewed the Annual Financial Statements 2020 on 25th March 2021 and recommended their adoption to the Board.

Internal Audit

An internal audit service is provided by the Internal Audit Unit-Education and Training Boards (IAU-ETB), who provide an overall opinion on areas audited. The overall opinion is based on the findings identified during the audit and the range of possible opinions is as follows:

Comprehensive: System of internal control is adequate and operates effectively.

Adequate: System of internal control is generally adequate and operates effectively.

Inadequate: System of internal control is inadequate and does not operate effectively.

The following internal audit reviews were carried out in the period from the 1st January 2020 to 31st December 2020:

1. An Internal audit of Procurement was commenced in November 2020 and is ongoing at the time of writing. When the finalised report is received from IAU-ETBs it will be presented to the Audit & Risk committee.
2. Draft Youthreach Audit Report to be finalised in Quarter 2 of 2021. When the finalised report is received from IAU-ETBs it will be presented to the Audit & Risk committee.
3. Draft Youth Services Audit Report to be finalised in Quarter 2 of 2021. When the finalised report is received from IAU-ETBs it will be presented to the Audit & Risk committee.

Breaches of System of Internal Control

1. Non-compliance with Procurement Guidelines

Kerry ETB is continuing to work towards meeting all its responsibilities in respect of procurement regulations. There are instances where goods and services are procured across Kerry ETB's 37 locations through competitive procurement processes, in line with Kerry ETB's Procurement Policy, but the cumulative value across all sites exceeds National/EU tendering thresholds.

Based on analysis of 2020 expenditure in areas where an organisation-wide e-Tenders process is appropriate, expenditure totalling €319,455 (ex. VAT) has been identified as non-compliant as follows:

(i) In 2020 expenditure of €26,392 (ex. VAT) was incurred purchasing goods and services from Suppliers other than the designated Office of Government Procurement/Centralised Framework suppliers. The expenditure was incurred across a broad range of goods and services including cleaning supplies, specialist waste services, printing consumables, electrical and white goods, mobile phones and protective clothing.

It is Kerry ETB Policy to utilise Office of Government Procurement (OGP) /Centralised Frameworks where these frameworks are deemed suitable and activated. As OGP/Centralised Frameworks are activated each School/Centre/Programme is set up on the Framework by the Procurement Officer. A communication is issued by the Procurement Officer to all Budget Holders and Line Managers with details of the Framework and a guidance document on how to avail of the Framework. Significant efforts have been made in 2020 in raising awareness around Office of Government Procurement Frameworks and Centralised Contracts and will continue in 2021.

(ii) In 2020 non-compliant expenditure of €29,540 (ex. VAT) was incurred. The non-compliance related to purchases of Covid-19 related items (P.P.E. etc.) from suppliers outside of the designated OGP Framework suppliers.

(iii) For the period January to December 2020 expenditure of €42,615 (ex. VAT) was incurred for Health and Safety Training for schools, colleges and the apprenticeship programmes paid to fifteen different companies. A working group has been established and further analysis of this expenditure is underway to progress an appropriate tender process. It is expected that the tender process will be completed by Quarter 2 of 2021.

(iv) Expenditure of €32,086 (ex. VAT) for External Printing Services across the entire Kerry ETB Scheme. A Tender for the establishment of a Multi Supplier Framework for the provision of External Printing Service for Kerry ETB was published in Quarter 4 of 2020. The Tender process is now finalised and the Framework is now available for use.

(v) Expenditure of €22,004 (ex. VAT) for Hair and Beauty Supplies incurred mainly in the provision of Traineeships. A Tender for the establishment of a Multi Supplier Framework for the provision of Hair and Beauty Course consumables was finalised in 2020 and the Framework is now available for use. This area is fully compliant in 2021.

Kerry Education and Training Board

Statement on The System of Internal Control

(vi) Expenditure of €13,906 (ex. VAT) for the provision of plumbing consumables. Please refer Note (viii) below.
(vii) Expenditure of €152,912 (ex. VAT), paid to seven suppliers, across a range of goods and services. Of the €152,912 (ex. VAT) Kerry ETB c. €110,375 (ex. VAT) related to expenditure directly related to the Covid-19 Pandemic. These costs were incurred in ensuring adequate and appropriate protective equipment, furniture and IT capability were available to Kerry ETB staff and Learners. We do not envisage this expenditure recurring and accordingly will not require Tenders to be progressed.

The remaining €42,537 (ex. VAT) related to consumable Plumbing supplies (€26,292 ex. VAT) and welding (metal) consumables (€16,245 ex. VAT) both for apprenticeship courses.

Regarding the Plumbing Consumables a Tender for the provision of a Multi Supplier Framework Agreement for the provision of plumbing consumables was published with a closing date in January 2021. It is important to note that prior to the above Tender Kerry ETB had issued a previous Tender but, despite an extension to the original Tender deadline, no tender responses were submitted. Following the unsuccessful Tender the core product listing was refined in order to attract bidders. This Tender is currently being evaluated and the Framework will be in place in early Quarter 2 of 2021.

Regarding the welding consumables: Based on our experience with the Plumbing Consumables we have worked to refine the Core product listing for the welding consumables. Similar to the plumbing consumables there is a broad range of categories incorporated into the expenditure. In order to ensure a successful tender we have revisited the Core listing. Following a review of the suppliers and the market the core listing under the Category was deemed too wide ranging for a single supplier type. The review of the original core listing indicates revising the requirement into a minimum of two separate tenders. This process has commenced and it is planned to go to the market in Quarter 2 of 2021.

Kerry ETB has developed a Corporate Procurement Plan for 2020-2021, which sets out actions to address areas of identified non-compliance and other Kerry ETB procurement needs. Kerry ETB will continue to monitor and review all areas of expenditure to identify opportunities where tendering and the utilisation of existing National Frameworks for goods and services will provide best value for money and meet compliance requirements.

2. Funding of Third Party Organisations

In 2020 Kerry ETB funded a number of third party organisations via a Grantor/Grantee arrangement, governed by Service Level Agreements, distributing funds received from Government Departments. Kerry ETB is governed by Department of Public Expenditure and Reform Circular Letter 0013/2014 which details the Governance and Compliance requirements Kerry ETB must adhere to as a Grantor of Public funds.

In previous years and continuing in 2020 Kerry ETB has engaged with a Local Youth Service Provider to address outstanding claims by the Youth Service Provider in relation to a Service Level Agreement which ceased in December 2018. At the time of writing these matters remain unresolved.

3. Inadequate IT Systems

Both the Finance Committee and the Audit & Risk Committee have, on a number of occasions, expressed their concern that the lack of an appropriate, contemporary Financial System presents significant risks for Kerry ETB. The lack of a suitable Financial System presents significant organisational challenges and potential control weaknesses. The use of two separate financial reporting systems (with the Kerry College availing of a separate system (SAP) to the rest of the organisation) adds further complexity and risk. All Centres except for the Kerry College are using the ESI System.

As a result of the above, the preparation of the Annual Financial Statements is an extremely manual process which must be completed in line with the annual legislative requirements. It is planned that Kerry ETB will transition to Financial Shared Services from 1st January 2022

Fraud

There are no incidents to be reported under Kerry ETB's Fraud and Anti-Corruption Policy in 2020.

Protected Disclosures

Kerry ETB received no protected disclosures in 2020 under the Protected Disclosure Act 2014.

Risk Management

In 2020 Kerry ETB continued to address risk management on an organisational basis, structured around the pillar areas. Kerry ETB maintains an overall Corporate Risk Register which is kept under review at Senior Management Meetings. Addressing Organisational Risk was a standing Agenda item at each of the Senior Executive Management Meetings held in 2020.

Kerry ETB has Corporate Risk Management in place across the organisation. The Corporate Risk register was reviewed by the Audit & Risk Committee in 2020 and the Committee continues to monitor the Kerry ETB Risk Management Policy.

Individual risk registers are in place for the three pillars and the relevant Directors review same at their Senior Management Meetings. Each School, Centre and Head of Department maintains a local risk register. Risks are elevated between registers as appropriate. Throughout 2020 all registers were maintained and updated by the relevant Head of Department, Principal/Centre Manager, Senior Management, Director etc. This ensures that ownership of the risks are managed at the appropriate level.

The Corporate Risk Register is kept under review by the Director of Organisation Support & Development.

Risk Management is a standing agenda item at all Management meetings including the ETB Board meetings.

In 2020, in line with the requirements of Circular Letter 0002/2019, Kerry ETB engaged the Institute of Public Administration (IPA) for a workshop to review the approach to managing risk to ensure full compliance with the Circular Letter 0002/2019 i.e. the development of a risk management framework. The Kerry ETB Revised Risk Management Policy was approved by the Kerry ETB Board on 26th May 2020.

In 2021 Kerry ETB has engaged with the IPA Governance Forum. This Forum consists of 18 individual Modules covering various Governance and Compliance topics. The Forum has been made available to Senior Staff, the Kerry ETB Board members and members of the Section 44 and Section 45 Committees.

Issues progressing at Sectoral level

Outdoor Education and Training Centre

Kerry ETB operates an Outdoor Education and Training Centre located at Cappanalea, Killorglin, Co. Kerry (Cappanalea). Traditionally, similar to other outdoor education and training centres, Cappanalea was operated under the Department of Education self-financing model.

The onset of the Covid-19 Pandemic presented significant challenges to the self-financing model as income generated from the self-financing activities ceased for the majority of 2020. While the Centre and its related costs were tightly managed in 2020, due to the Covid-19 Pandemic the self-financing model collapsed and there is a potential deficit as at 31st December 2020 of €216,822.

Kerry ETB understands that other Outdoor Education and Training Centres nationally have been similarly impacted by the Covid-19 Pandemic. Kerry ETB is currently exploring options to address the 2020 deficit.

Kerry Education and Training Board

Statement on The System of Internal Control

Regarding the continued viability of the Centre, over the past number of years Kerry ETB has been streamlining its Further Education and Training provision and, in conjunction with both SOLAS and the Department of Education, has established the Kerry College of Further Education and Training (Kerry College) as a pilot for a fully integrated college of Further Education and Training. Kerry College has been operational since September 2019 and it was agreed that from the 1st September 2020 Cappanalea would be designated the outdoor campus for Kerry College. From that date, Cappanalea has been recognised as a Further Education and Training Centre and is being funded by SOLAS, similar to other FET Centres. Accordingly, Cappanalea is no longer operating under the self-financing model. The establishment of Kerry College as a pilot Further Education and Training College is fully aligned with the provision of the SOLAS FET Strategy 2020 – 2024.

Breaches of system internal control - Single Public Services Pension Scheme

Circular Letter 11/2014 obliges ETBs to provide benefits statements and calculations to members of the Single Public Services Pension Scheme by end of June 2014. Due to IT system and resource limitations Kerry ETB did not meet its obligations to provide annual pension statements to all members of the Single Public Service Pension Scheme in 2020. The Executive has advised that Kerry ETB is circa 10% compliant with issuing pension statements to staff as at the end of 2020. This is an issue across the ETB sector and is being pursued at national level.

Manual calculation of Benefit Statements are provided on request and Kerry ETB have commenced a process to complete manual calculations for all staff impacted. As outlined above Kerry ETB's current IT systems are limited and this is a manual process that is extremely labour intensive and time consuming.

As noted below Kerry ETB is currently in the process of migrating to Payroll Shared Services and it is envisaged that following the migration Kerry ETB will be in a position to meet its statutory requirements.

Payroll Shared Services

The Education Shared Business Service (ESBS) has been established to deliver shared services in the Education sector. The migration of Kerry ETB payroll for all staff is scheduled to take place in June 2021. Following the migration to Payroll Shared Services the ESBS will be responsible for the processing of the payroll while Kerry ETB will remain responsible for the issuing of instructions to shared services of the changes to payrolls and HR function.

Finance Shared Services

The Education Shared Business Service (ESBS) has been established to deliver shared services in the Education and Training sector with a focus on delivering payroll and finance shared services for ETBs in the first instance. On the 1st January 2022, Kilkenny Carlow, Tipperary and Kerry ETBs are due to go live on Sun Financials v6.4 and DCS P2P, replacing their existing ESI Manser system, as part of a project to consolidate the existing financial management systems in use in the sector. This solution is already being used by six other ETBs.

Covid-19 Pandemic

In March 2020 Kerry ETB established the Covid-19 Response Team in order to manage the risks presented by the Pandemic. The Response Team consists of Chief Executive Officer, Directorate, Senior Management, Lead Worker Representative and Kerry ETB's external Health and Safety experts with additional resources/expertise called upon as required. The Response Team has met on a weekly basis since March 2020. It is the Role of the Response Team to ensure that all risks relating to Covid-19 are identified, assessed and mitigated if possible. The Response Team is responsible for ensuring Government and Public Health Advice and guidance is adhere to and that there is clear communications with Management and Staff.

Risk assessments of all Kerry ETB sites (inter alia Schools, Centres and Head Office) were carried out in 2020 in light of the Covid-19 Pandemic. Response Teams were established in all Schools and Centres and a Covid-19 Coordinator and Lead Worker Representative was appointed in each site.

A Covid-19 Sharepoint which can be accessed by all Kerry ETB staff was established as a central location for the most up to date guidance issued from various Government Departments.

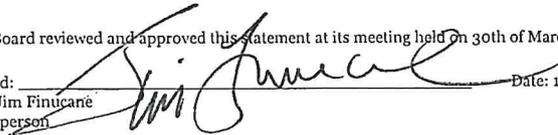
Annual Review of Controls

Kerry ETB is committed to operating an efficient, effective and economic internal control system. I confirm that the Audit Committee at its meeting on the 12th March 2020, conducted a review of the effectiveness of the system of internal financial control for year ended 31 December 2020 in the manner prescribed by the Code of Practice for the Governance of Education & Training Boards.

This included:

- The Executive presented a Report of its review of controls (both verbally and by written report) at its meeting of 12th March 2021. The Audit & Risk Committee received confirmation from the Chief Executive Officer that the system of internal control is adequate and appropriate insofar as is reasonably practicable. The Chief Executive Officer based this statement on information gathered from senior managers across the organisation.
- A review of internal and external audit reports issued in 2020 and to date in 2021 along with an examination of minutes of meetings of the Kerry ETB Board and Finance Committee to ensure there are no inconsistencies in these with the assessment of internal control provided to the Audit & Risk Committee in Internal Audit Reports and Management representations.
- The Audit & Risk Committee presented a report (verbally and by written report) on the review of controls to the Board on 30th March 2021.
- A review of Governance and Control activities in 2020 including:
 - o Engagement between the Audit & Risk Committee, Finance Committee, Board and the executive. Due to Covid-19 restrictions the majority of these engagements in 2020 took place via virtual meetings and reports.
 - o Reports from the Chief Executive Officer, Director of Organisation Support and Development (OSD), Director of Schools, Youth & Music and Director of Further Education and Training (FET) to the Board
 - o Reports from the Head of Finance and Director of Organisation Support and Development to the Audit & Risk Committee at each of its six meetings in 2020
- o Recommendations made by the C & AG in management letters or other reports
- o Recommendations made by the Internal Audit Unit
- o Risk Management Reports from Director of Organisation Support and Development.
- o The Risk Register that is kept up-to-date and presented to the Audit & Risk Committee on a regular basis. It has been noted by the Audit and Risk Committee and the Finance Committee that certain risks faced by Kerry ETB need to be addressed on a National level (in particular the lack of modern and integrated financial management and HR systems for the organisation).

The Board reviewed and approved this statement at its meeting held on 30th of March 2021.

Signed:  Date: 18th November 2022
Cllr. Jim Finucane
Chairperson



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Kerry Education and Training Board

Opinion on the financial statements

I have audited the financial statements of Kerry Education and Training Board for the year ended 31 December 2020 as required under the provisions of the Education and Training Boards Act 2013. The financial statements comprise

- the statement of accounting policies
- the operating statement
- the statement of current assets and current liabilities, and
- the related notes.

In my opinion,

- the financial statements properly present the income and expenditure of the Board for 2020 and the state of affairs of the Board at 31 December 2020, and
- the financial statements are in accordance with the accounting policies laid down by the Minister for Education.

Basis of opinion

I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of Kerry Education and Training Board and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Report on information other than the financial statements, and on other matters

The Board has presented certain other information together with the financial statements. This comprises the statement of Board responsibilities, the statement on the system of internal control and a schedule of activities and pay costs. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.

Andrew Harkness
For and on behalf of the
Comptroller and Auditor General

24 November 2022

Appendix to the report

Responsibilities of Board Members

As detailed in the statement of Board responsibilities, the Board members are responsible for

- the preparation of the financial statements in the form prescribed under section 51 of the Education and Training Boards Act 2013
- the keeping of proper books of account which disclose with reasonable accuracy at any time the financial position of the Board
- safeguarding the Board's assets and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Responsibilities of the Comptroller and Auditor General

I am required under the Education and Training Boards Act 2013 to audit the financial statements of Kerry Education and Training Board and to report thereon to the Houses of the Oireachtas.

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

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.

- I conclude whether the financial statements properly present the income and expenditure of the Board and whether the statement of balances, as represented by the statement of current assets and current liabilities presents the state of affairs of the Board.
- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Information other than the financial statements

My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, I am required under the ISAs to read the other information presented and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

Reporting on other matters

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation. I report if I identify material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

I also report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the financial statements to be readily and properly audited, or
- the financial statements are not in agreement with the accounting records.

Kerry Education and Training Board

Financial Statements - Year Ended 31st December 2020

Activities and Pay Costs

1 Main Activity

Kerry Education and Training Board provides Education and Training throughout the County Kerry as set out below :

Service	Number of Locations*	Number of Participants**	Number of Beneficiaries***
Primary Level	3	68	
Second Level	8	2,681	
Further Education and Training (FET)****	27		9,512
Part-time / Night Classes****	5		1,531

* refers to locations owned or leased by the ETB.

** For primary and second level this is based on the academic year enrolment. For FET and part time / night classes this is based on the individual enrolments in the calendar year.

*** Beneficiaries refers to the total number of places taken up in the year. This is calculated by adding enrolments as on 1 January and all subsequent enrolments throughout the year.

**** Participants and Beneficiaries of Training Centre/FET Centres Part-time/Night Classes (1,312) are included in Further and Training (FET) numbers. Participants and Beneficiaries of Schools Night Classes (219) are included in Schools and Head Office numbers.

2 Other Services

The Board also acts as an Agent and runs Self - financing Projects.

Agency work involves running a programme on behalf of another organisation or students according to agreed criteria and the Board is reimbursed its cost.

Self - financing Projects are programmes run under the complete control of the Board either for the Board or other organisations.

3 Pay Costs

Pay is the principal cost for the Board and the following table indicates the pay ranges and the number of employees in each range:

Pay range	No. Employees	Cost in 2020*
0-59,999	880	18,335,490
60,000-69,999	112	7,357,131
70,000-79,999	113	8,391,273
80,000-89,999	40	3,341,012
90,000-99,999	10	952,712
100,000-109,999	6	627,362
110,000-119,999	7	801,444
120,000-129,999	-	-
130,000-139,999	1	131,249
Total:	1,169	39,937,673

*Cost in 2020 includes employers' PRSI

The ETB does not make pension contributions in respect of employees. Since 2013 all new entrants are obliged to join the Single Public Services Pension Scheme.

From 1 January 2019 onwards, members of public service defined benefit pension schemes pay an additional superannuation contribution (ASC) arising from the Public Service Stability Agreement (2018-2020) and the Public Service Pay and Pensions Act 2017. ASC is a permanent contribution in respect of pensionable remuneration. The ETB deducted Additional Superannuation Contributions from employees amounting to €1,074,322 which were remitted to the Department of Education. €1,939 was remitted to Tusla.

Kerry Education and Training Board

Operating Statement For The Year Ended 31st December 2020

	Note	Year ended 31/12/2020	Year ended 31/12/2019
RECEIPTS		€	€
Post Primary Schools & Head Office Grants	2	26,685,877	27,981,006
Primary School Grants	3	95,774	26,519
Further Education and Training Grants	4	33,228,865	29,559,291
Student Support Services Grants	5	-	5,292
Youth Services Grants	6	749,836	510,934
Agencies & Self-Financing Projects	7	1,874,621	3,176,000
Capital	8	3,280,237	3,085,257
		<u>65,915,210</u>	<u>64,344,299</u>
PAYMENTS			
Post Primary Schools & Head Office	9	26,309,305	27,725,906
Primary School	10	96,301	68,881
Further Education and Training	11	32,253,489	28,606,790
Student Support Services	12	-	2,292
Youth Services	13	782,898	445,125
Agencies & Self-Financing Projects	7	2,050,209	3,242,080
Capital	8	1,911,836	3,169,959
		<u>63,404,037</u>	<u>63,261,033</u>
Cash Surplus/(Deficit) for Year		2,511,173	1,083,266
Movement in Other Net Current Assets	24	<u>(2,598,678)</u>	<u>(1,289,546)</u>
Accrual Revenue Surplus/ (Deficit) for Year		(87,505)	(206,280)
Revenue (Deficit)/ Surplus at 1 January		(170,275)	36,005
Revenue (Deficit)/ Surplus at 31 December	15	<u>(257,780)</u>	<u>(170,275)</u>
Signed : 		Signed : 	
Chairperson Cllr. Jim Finucane		Chief Executive Colm McEvoy	
Date : 18th November 2022		Date : 18th November 2022	

The notes on pages 9 to 27 form part of these Financial Statements

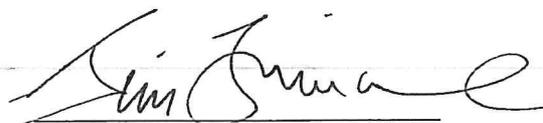
Kerry Education and Training Board

Statement of Current Assets and Current Liabilities as at 31st December 2020

	Note	31/12/2020	31/12/2019
		€	€
Current Assets			
Recurrent State Grants	16	847,546	537,479
Capital State Grants	17	2,693,143	2,802,477
Other Recurrent Income	18	17,915	15,689
Third Party Debtors	19	34,682	16,802
Bank Balance		4,665,088	2,153,909
		<u>8,258,374</u>	<u>5,526,356</u>
Current Liabilities			
Recurrent State Grants	20	2,432,622	1,382,400
Capital State Grants	21	2,387,440	1,436,046
Other Recurrent Income	22	948,224	964,444
Pay & Expense liabilities	23	2,747,867	1,913,741
		<u>8,516,154</u>	<u>5,696,631</u>
Net Current Assets / (Liabilities)		<u>(257,780)</u>	<u>(170,275)</u>
Represented By			
Revenue Surplus / (Deficit)	15	<u>(257,780)</u>	<u>(170,275)</u>

Analysis of Revenue Surplus/ (Deficit)	Programme	Accrual		
		Retained Surplus/ (Deficit) 31/12/2020	Revenue Surplus/ (Deficit) For 2020	Retained Surplus/ (Deficit) 31/12/2019
		€	€	€
	Schools & Head Office	(85,201)	18,599	(103,800)
	Associated Programmes	-	4,963	(4,963)
	Agency Programmes	(531)	25,933	(26,464)
	Self-financing Programmes	(172,048)	(137,000)	(35,048)
		<u>(257,780)</u>	<u>(87,505)</u>	<u>(170,275)</u>

Signed:


Cllr. Jim Finucane
Chairperson

Signed:


Colm McEvoy
Chief Executive

Date:

18th November 2022

Date:

18th November 2022

The notes on pages 9 to 27 form part of these Financial Statements

Kerry Education and Training Board
Notes to The Financial Statements - Year Ended 31st December 2020

Accounting Policies

Establishment of the Education and Training Board

Kerry Education and Training Board was established on 1 July 2013 and its functions are set out in section 10 of the Education and Training Boards Act 2013.

Community National Schools came under the Patronage of the ETB with the commencement of the 2017/2018 academic year.

Significant Accounting Policies

(a) Basis of Presentation

The financial statements are presented in the form approved by the Minister for Education with the consent of the Minister for Finance and Public Expenditure and Reform. They consist of an Operating Statement, a Statement of Current Assets and Current Liabilities and notes to the financial statements including Accounting Policies.

Where necessary, the comparative figures for the previous year have been restated on the same basis as those for the current year.

(b) Revenue, Expenditure, Asset and Liabilities Recognition

The Operating Statement presents Receipts and Payments by Programme Grouping and the resultant Cash Surplus / (Deficit) is adjusted for other debtor and creditor movements to determine the overall result for the period on an accrual basis.

The Statement of Current Assets and Current Liabilities is prepared on the accruals basis by determining state grant and other funder balances at amounts that reflect the related receipts received and expenditure incurred and in accordance with the funding rules.

Third Party Debtors are included in Current Assets. Pay and Expense Liabilities are included in Current Liabilities.

(c) Tangible fixed assets

All assets purchased including land and buildings, fixtures and fittings and training equipment are expensed in the year of purchase. State grants to fund the purchase of tangible fixed assets are recognised in the same year.

(d) Stocks

All consumable stocks are expensed as purchased.

(e) Superannuation

The pension entitlements of ETB staff, including those who transferred from SOLAS, are conferred under defined benefit schemes. Staff employed since 2013 are included in the Single Public Service Pension Scheme and monthly payments are made to the Department of Public Expenditure and Reform.

Superannuation deductions made from employees pay in respect of the schemes are retained by the ETB as part of agreed Exchequer funding, or paid over to the Department of Public Expenditure and Reform.

The ETB does not make any contributions towards the schemes.

These unfunded schemes are operated on a pay as you go basis with the annual pension entitlements being paid directly by the National Shared Services Office on behalf of the ETB. ETBs are responsible for the administration of their pensions. Pension funds are provided by the Department of Education.

Provision has not been made in the financial statements for the present cost of the future benefits that have accrued to staff members and existing pensioners under these schemes.

(f) Lease Rentals

All lease rentals are expensed as incurred.

Kerry Education and Training Board

Notes to The Financial Statements - Year Ended 31st December 2020

	Year ended 31/12/2020 €	Year ended 31/12/2019 €
2 Post Primary Schools & Head Office Receipts		
Department of Education		
-Pay	23,587,446	25,485,504
-Non Pay	1,568,219	1,530,036
-Associated Programmes	1,431,046	797,995
Department of Education -sub total	<u>26,586,711</u>	<u>27,813,535</u>
Tuition fees - Students	35,130	89,370
Irish Public Bodies	64,036	78,101
	<u>26,685,877</u>	<u>27,981,006</u>
3 Primary School Receipts		
Department of Education	<u>95,774</u>	<u>26,519</u>
4 Further Education and Training Receipts		
SOLAS	33,228,865	29,542,790
Department of Further and Higher Education, Research, Innovation and Science	-	16,501
Total	<u>33,228,865</u>	<u>29,559,291</u>
5 Student Support Services Receipts		
Department of Education	-	5,292
	<u>-</u>	<u>5,292</u>
6 Youth Service Receipts		
Department of Children, Equality, Disability, Integration and Youth	749,836	510,934
	<u>749,836</u>	<u>510,934</u>

Kerry Education and Training Board

Notes to The Financial Statements - Year Ended 31st December 2020

8 Capital

	Year ended 31/12/2020	Year ended 31/12/2019
Receipts	€	€
Department of Education	2,675,310	2,339,663
SOLAS	526,500	745,594
Other	78,427	-
	<u>3,280,237</u>	<u>3,085,257</u>

Payments

Facility	Expenditure Type		
Killarney Community College	EWS Scheme 2020	227,866	-
Further Education & Training	Various Projects	210,028	45,003
Coláiste Gleann Lí	Applied Technology Equipment	108,223	30,402
Kerry ETB Training Centre	Various Projects	250,563	452,309
Other - 37 in number	Various Projects	905,396	2,504,127

During the year Kerry ETB acted as a project manager for the following devolved projects :

Listellick National School	New School Project	196,058	138,118
St Olivers National School	St Olivers National School	13,702	-
		<u>1,911,836</u>	<u>3,169,959</u>

Kerry Education and Training Board

Notes to The Financial Statements - Year Ended 31st December 2020

9 Post Primary Schools & Head Office Payments		Year Ended 31/12/2020			Year ended
		Pay	Non Pay	Total	31/12/2019
		€	€	€	Total
PAY					
	Instruction	20,715,381		20,715,381	22,424,413
	Administration	2,458,680		2,458,680	2,332,846
	Maintenance	653,538		653,538	600,142
		<u>23,827,599</u>		<u>23,827,599</u>	<u>25,357,401</u>
NON PAY					
	Instruction		47,355	47,355	65,956
	Administration		734,279	734,279	706,922
	Maintenance		769,584	769,584	939,641
			<u>1,551,218</u>	<u>1,551,218</u>	<u>1,712,519</u>
ASSOCIATED PROGRAMMES					
	School Services Support (SSSF)	4,334	192,907	197,241	230,786
	Creative Youth Programme	94,554	29,376	123,930	49,192
	Covid 19 Capitation Grant - Sanitiser & PPE	-	123,215	123,215	-
	ICT Grant	-	109,442	109,442	138,284
	Book Grants	-	78,892	78,892	60,905
	Covid 19 - Enhanced Supervision Supports	72,318	-	72,318	-
	Others - 11 in Number	96,052	129,398	225,450	176,819
		<u>267,258</u>	<u>663,230</u>	<u>930,488</u>	<u>655,986</u>
		<u>24,094,857</u>	<u>2,214,448</u>	<u>26,309,305</u>	<u>27,725,906</u>

Post Primary Schools and Head Office Payments

These relate to the provision of second level provided in 8 locations, catering for 2,681 participants as well as night classes in 2 locations, catering for 219 beneficiaries.

10 Primary School Payments		Year Ended 31/12/2020			Year Ended
		Pay	Non Pay	Total	31/12/2019
		€	€	€	€
	CNS Ancillary Service Grant	37,192	-	37,192	19,654
	CNS Capitation Grant	392	44,875	45,267	49,022
	CNS School Book Scheme	-			
	Others - 10 in Number	2,066	11,776	13,842	205
		<u>39,650</u>	<u>56,651</u>	<u>96,301</u>	<u>68,881</u>

Primary School Payments

These relate to the provision of the primary school programme in 3 locations, catering for 68 participants.

Kerry Education and Training Board

Notes to The Financial Statements - Year Ended 31st December 2020

11 Further Education and Training Payments	Year Ended 31/12/2020				Year Ended
	Pay	Non Pay	Allowances	Total	31/12/2019
	€	€	€	€	€
VTOS Pay	1,371,921	261,440	684,794	2,318,155	2,383,623
Youthreach Pay	1,542,598	335,072	432,309	2,309,979	2,538,097
Youthreach Special Education Needs	50,296	-	-	50,296	59,225
Learner Support	96,954	3,055	-	100,009	-
DEIS Family Literacy	5,237	-	-	5,237	7,371
Adult Literacy	515,665	129,906	-	645,571	694,078
I.T.A.B.E. Literacy	9,740	-	-	9,740	9,774
Skills for Work	9,413	25,911	-	35,324	21,955
ESOL Programmes	88,360	-	-	88,360	80,611
SOLAS Funded Co-operation Hours	165,911	-	-	165,911	-
Community Education	186,873	63,966	-	250,839	269,694
Further Education - Operational Costs	991,680	1,311,869	-	2,303,549	2,267,057
TEL Project	88,374	-	-	88,374	33,147
Guidance/Counselling/Psychological Services	-	9,682	-	9,682	18,168
Quality Assurance & Curriculum Unit	470,199	120,040	-	590,239	488,514
B.T.E.I.	747,632	29,021	-	776,653	690,020
Adult Education Guidance	173,375	1,131	-	174,506	200,225
Innovation Fund (OEC)	322,807	54,538	-	377,345	-
PLC SOLAS Funded Pay and Non Pay	3,246,190	145,754	-	3,391,944	-
PLC enhanced capitation Grant	-	76,650	-	76,650	73,726
PLC SOLAS Funded SSSF	5,601	22,796	-	28,397	-
PLC SOLAS Funded Rent	-	88,965	-	88,965	98,850
Adult Ed. Resource Centres/Innovative Projects	514,632	520,902	-	1,035,534	830,047
Course Recruitment Unit	190,308	185,609	-	375,917	61,777
Explore Programme DFHERIS	-	5,466	-	5,466	9,855
Locally Devised Assessments(SOLAS)	76,885	-	-	76,885	83,582
Bridging Foundation and Skills Training	-	1,135,723	1,119,990	2,255,713	2,780,673
Skills to Advance	838	93,968	-	94,806	(677)
Skills Training	-	-	-	-	-
Evening courses	272,320	8,780	-	281,100	337,792
Apprenticeship	1,495	701,776	1,984,371	2,687,642	4,011,312
Apprenticeship 2016+	105,592	27,447	-	133,039	-
Traineeship	-	1,055,273	2,123,943	3,179,216	2,984,729
Community Training Workshop	76,389	540,824	270,941	888,154	840,653
Specialist Training Providers	-	1,472,287	1,025,275	2,497,562	2,696,833
Operational Costs	-	1,584,867	-	1,584,867	852,382
Consortia	45,888	-	-	45,888	138,444
Training Centre Staff and Operations	3,225,976	-	-	3,225,976	3,067,208
Total	14,599,147	10,012,718	7,641,623	32,253,489	28,628,745

Further Education and Training Payments

These relate to the provision of Further Education programmes in 30 locations, catering for 10,824 beneficiaries.

12 STUDENT SUPPORT SERVICES PAYMENTS

Grants and Scholarships	-	-	-	-	2,292
	-	-	-	-	-

13 YOUTH SERVICES PAYMENTS

Local Youth Club Grants Scheme	-	60,143	-	60,143	49,039
Local Youth Club Equipment Scheme	-	7,699	-	7,699	-
Youth Work Functions	109,062	12,086	-	121,148	153,983
Youthwork Capital	-	25,890	-	25,890	20,000
Youth Information	-	102,871	-	102,871	28,919
Special Projects for Youth-SPY	-	392,397	-	392,397	153,184
Youth Employability Initiative	-	65,000	-	65,000	40,000
LGBTI+Youth Initiatives	-	7,750	-	7,750	-
	109,062	673,836	-	782,898	445,125

14. ANALYSIS OF RECEIPTS BY FUNDER

FUNDER	Programme										TOTAL Year Ended 31/12/2020	Year Ended 31/12/2019
	Post Primary Schools & Head Office	Primary Schools	Further Education and Training	Youth Services	Agencies and Self-financing	Capital	€	€	€	€		
State Funding Received	26,536,711	95,774	-	-	251,320	2,675,310	-	-	-	-	29,559,115	30,440,057
Department of Education	-	-	33,228,865	-	-	526,500	-	-	-	-	33,755,365	30,304,884
SOLAS	-	-	-	-	-	-	-	-	-	-	-	-
Department of Children, Equality, Disability, Integration and Youth	-	-	-	749,836	-	-	-	-	-	-	749,836	490,935
Department of Social Protection	-	-	-	-	351,958	-	-	-	-	-	351,958	272,494
Department of Health	-	-	-	-	36,006	-	-	-	-	-	36,006	53,269
State Examinations Commission	-	-	-	-	-	-	-	-	-	-	-	82,130
Kerry County Council	-	-	-	-	-	75,477	-	-	-	-	75,477	-
Youth Work Ireland	-	-	-	-	-	-	-	-	-	-	-	20,000
Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media	-	-	-	-	-	2,950	-	-	-	-	2,950	-
Dublin & Dunlaoghaire ETB	-	-	-	-	-	-	-	-	-	-	-	22,000
Higher Education Authority	-	-	-	-	-	-	-	-	-	-	-	89,037
Creative Ireland	50,000	-	-	-	-	-	-	-	-	50,000	-	-
Arts Council	-	-	-	-	1,800	-	-	-	-	1,800	-	-
TUSLA	-	-	-	-	123,532	-	-	-	-	123,532	-	175,970
Léargas	-	-	-	-	48,985	-	-	-	-	48,985	-	64,748
Music Generation Programme	-	-	-	-	24,172	-	-	-	-	24,172	-	-
	26,586,711	95,774	33,228,865	749,836	837,773	3,280,237	-	-	-	64,779,196	62,015,524	
Non State Funding Applied to State-funded Schemes												
Parents/ Students	35,130	-	-	-	46,110	-	-	-	-	81,240	-	156,070
Irish Public Bodies - Dividends/ Capital Reserve	64,036	-	-	-	-	-	-	-	-	64,036	-	78,101
County Councils	-	-	-	-	-	-	-	-	-	-	-	120,000
Other	99,166	-	-	-	195,619	-	-	-	-	195,619	-	727,879
					241,729					340,895		1,082,050
Other Non State Funding												
Parents/ Students	-	-	-	-	765,879	-	-	-	-	765,879	-	1,212,680
Irish Public Bodies - Insurance Settlements	-	-	-	-	4,089	-	-	-	-	4,089	-	-
Other	-	-	-	-	25,150	-	-	-	-	25,150	-	34,045
					795,118					795,118		1,246,725
Total	26,685,877	95,774	33,228,865	749,836	1,874,620	3,280,237				65,915,209		64,344,299

Kerry Education and Training Board

1,911,836

Notes to The Financial Statements - Year Ended 31st December 2020

15 Source and Use of Funds	Project	2020		2020		2020		2020		2020		2020		2020		2020	
		Grant Issued	Amount due from/ (due to) Grantor	Receipts direct from Grantor ^e	Receipts from other sources	Total Receipts per Operating Statement	Local Funding Transfers	Cash Expenditure per Operating Statement	Change in Liabilities Debtors	Surplus/ (Deficit) per Operating Statement for	Prior Period Adjustment	Amount due from/ (due to) Grantor					
Department of Education Post Primary Schools and Head Office	Pay ^b Non-Pay ^c Local Funding Surpluses	23,822,500 1,604,584	(9,731)	(22,234,290) (1,568,219)	(1,353,156) (99,166)	(23,587,446) (1,667,385)	- 63,966 (63,966)	23,827,599 1,551,218	(26,336) 88,602 1,318	- 18,599	(55,000)	204,086					
0	Associated Programmes	1,114,516	(502,146)	(1,431,046)	-	(1,431,046)	-	930,488	50,725	4,963	-	(947,016)					
Primary Schools		85,434	93,524	(95,774)	-	(95,774)	-	96,301	(6,699)	-	-	87,352					
Capital		2,753,737	1,650,389	(2,753,737)	-	(2,753,737)	-	1,374,053	15,706	-	55,000	341,111					
Agency and Self Financing	Outdoor Education Centre	232,930	-	(232,930)	(195,619)	(428,549)	-	573,890	(13,005)	(132,336)	-	-					
Total Department of Education		29,613,671	935,018	(28,315,996)	(1,647,941)	(29,963,937)	-	28,353,549	110,312	(108,774)	-	(673,833)					
Other Funders	Explore	-	(6,646)	-	-	-	-	5,466	-	-	-	(1,180)					
Department of Further and Higher Education, Research, Innovation and Science		-	-	-	-	-	-	-	-	-	-	-					
SOLAS	Further Education and Training	33,228,865	(58,459)	(33,228,865)	-	(33,228,865)	-	32,248,022	531,767	-	(3,307)	(510,841)					
SOLAS	Capital	526,590	(283,958)	(526,590)	-	(526,590)	-	537,783	209,050	-	27,907	(35,708)					
SOLAS	Youth Services	749,836	(90,696)	(749,836)	-	(749,836)	-	782,898	(178)	-	-	(57,811)					
Tusla	Agency	123,532	(134,661)	(123,532)	-	(123,532)	-	150,654	(1,830)	-	-	(109,369)					
Department of Education	Agency - ISL Tutors	14,929	(415)	(18,391)	-	(18,391)	-	18,528	(5,431)	-	-	(25,056)					
Higher Education Authority	Agency	-	(19,625)	-	-	-	-	-	-	-	-	-					
State Examinations Commission	Agency	-	-	-	-	-	-	-	-	-	-	-					
Department of Social Protection	Agency	351,958	15,157	(351,958)	-	(351,958)	-	324,399	25,603	25,933	(24,600)	1,333					
Health Service Executive	Self Financing	36,006	(62,230)	(36,006)	-	(36,006)	-	53,001	(3,265)	-	-	13,201					
Leargas	Agency	48,985	(59,830)	(48,985)	-	(48,985)	-	6,031	(1,134)	-	-	(48,500)					
Arts Council	Agency	1,800	(87)	(1,800)	-	(1,800)	-	-	-	-	-	(103,918)					
City of Dublin ETB	Self Financing	-	(87)	-	-	-	-	-	-	-	-	(1,800)					
Music Generation	Agency	24,172	(87,830)	(24,172)	-	(24,172)	-	89,344	25,876	-	-	3,209					
Total State		35,106,582	(789,289)	(35,110,044)	-	(35,110,045)	-	34,216,126	780,469	25,933	-	(876,805)					
Total Non State	Agency and Self Financing	-	(572,971)	-	(841,228)	(841,228)	-	834,362	(74,532)	(4,675)	-	(659,044)					
Total State and Non State		64,720,253	(427,242)	(63,426,040)	(2,489,169)	(65,915,210)	-	63,404,937	816,249	(87,516)	-	(2,209,682)					

Kerry Education and Training Board

Notes to The Financial Statements - Year Ended 31st December 2020

15 Source and Use of Funds (continued)

Reconciliation of Amount due From/ (Due to) Grantor to Revenue Surplus/(Deficit) per Statement of Current Assets and Liabilities

	31/12/2020	31/12/2019
	€	€
Amount due from/ (due to) Grantor at 31 December	(2,209,682)	(427,245)
Bank Balance (Page 8)	4,665,088	2,153,909
Third Party Debtors (Note 19)	34,682	16,802
Pay & Expenses Liabilities (Note 23)	(2,747,867)	(1,913,741)
Revenue Surplus/(Deficit) per Statement of Current Assets and Liabilities	<u>(257,780)</u>	<u>(170,275)</u>

Notes

a Opening balances

Balances are reported on an accruals basis.
Department of Education: Post-Primary Schools and Head Office Pay Grant was expected to be funded by direct receipts from grantor of €22,418,381 and anticipated receipts from Retained Superannuation Contributions of €1,315,618. Actual receipts of Retained Superannuation Contributions were €1,353,156 (€37,538 more than anticipated) and are included in receipts from the Department of Education in Note 15 Funding.

b Pay

Department of Education: Post-Primary Schools and Head Office Non Pay Grant was expected to be funded by direct receipts from grantor of €1,476,670, and forecasted locally raised receipts of €105,000. In 2020 actual locally raised receipts were €99,166 (locally raised receipts includes an IPB Capital Dividend of €64,036) resulting in a deficit of receipts of €5,834.

c Non Pay

Total grants are set by reference to anticipated expenditure. In the case of Post-Primary Schools and Head Office Non-Pay programmes expenditure limits are set. Expenditure incurred in excess of this limit gives rise to a deficit, whereas savings can be retained and used to fund future deficits. Kerry ETB had a Revenue Deficit of €304,285 for the year ended 31/12/2020 (Per Operating Statement page 7) and an Accumulated Revenue Deficit as at 31/12/2020 of €134,010 (Per Operating Statement page 7 and Statement of Current Assets and Current Liabilities page 8). The Deficit on Agency and Self Financing is mainly made up of Outdoor Education Centre and After School Study.

d Surplus/(Deficit) for 2020

The difference between the total amount received from grantors of €63,424,240 above and the total in Note 14 - Funding of €64,777,396 is represented by Retained Superannuation Contributions of €1,353,156.

e Total State funding

Kerry Education and Training Board

Notes to The Financial Statements - Year Ended 31st December 2020

	31/12/2020	31/12/2019
	€	€
16 Current Assets - Recurrent State Grants		
Amount due from Department of Education		
Pay Grant Underfunding	205,707	131,698
Primary Schools Grants Underfunding	111,518	99,318
Associated Grants Underfunding	24,308	26,212
Amount due from Department of Children, Equality, Disability, Integration and Youth	2,420	-
Amount due from SOLAS	503,593	280,251
	<u>847,546</u>	<u>537,479</u>
17 Current Assets - Capital State Grants		
Amount due from the Department of Education	1,823,571	235,104
Amount due from SOLAS	869,572	451,463
	<u>2,693,143</u>	<u>2,802,477</u>
18 Current Assets - Other Recurrent Income		
Amount due from Other (State)	16,411	15,157
Amount due from the State Examinations Commission	1,333	-
Amount due from Other (Non State)	171	532
	<u>17,915</u>	<u>15,689</u>
19 Current Assets - Third Party Debtors		
Overpayment	15,192	11,874
Office and Ancillary Services	-	818
Tuition Fees	1,980	500
Other	17,510	3,610
	<u>34,682</u>	<u>16,802</u>

Kerry Education and Training Board

Notes to The Financial Statements - Year Ended 31st December 2020

	31/12/2020	31/12/2019
	€	€
20 Current Liabilities - Recurrent State Grants		
Amount due to the Department of Education		
Pay Grant Unspent	1,621	141,429
Associated Grants Unspent	971,324	528,358
Local Receipts / Receivables Excess	359,666	297,018
Primary Schools Grant Unspent	24,166	5,794
Amount due to Solas	1,014,434	319,105
Amount due to Department of Further and Higher Education, Research, Innovation and Science	1,180	-
Amount due from Department of Children, Equality, Disability, Integration and Youth	60,231	90,696
	<u>2,432,622</u>	<u>1,382,400</u>
21 Current Liabilities - Capital State Grants		
Amount held for Department Of Education	1,482,160	700,625
Amount due to SOLAS	905,280	735,421
	<u>2,387,440</u>	<u>1,436,046</u>
22 Current Liabilities - Other Recurrent Income		
Amount held for Department of Children and Youth Affairs (Tusla)	109,369	134,661
Amount held for Other Programme Funders (State)	179,640	168,441
Amount held for Other Programme Funders (Non State)	288,502	390,192
Amount held for Students	370,713	271,150
	<u>948,224</u>	<u>964,444</u>
23 Pay and Expense Liabilities		
Expense Liabilities	2,276,966	1,415,412
Pay Liabilities	470,901	498,329
	<u>2,747,867</u>	<u>1,913,741</u>

Kerry Education and Training Board

Notes to The Financial Statements - Year Ended 31st December 2020

24 Movement in Other Net Current Assets

	Balance as at 31/12/2020 €	Balance as at 31/12/2019 €	Movement in Period €
Current Assets			
Increase/(Decrease) in Recurrent State Grants Receivable	847,546	537,479	310,067
Increase/(Decrease) in Capital State Grants Receivable	2,693,143	2,802,477	(109,334)
Increase/(Decrease) in Other Recurrent Income Receivable	17,915	15,689	2,226
Increase/(Decrease) in Third Party Debtors	34,682	16,802	17,880
	<u>3,593,286</u>	<u>3,372,447</u>	<u>220,839</u>
Current Liabilities			
(Increase)/Decrease in Recurrent State Grant Liabilities	2,432,622	1,382,400	(1,050,222)
(Increase)/Decrease in Capital State Grant Liabilities	2,387,440	1,436,046	(951,394)
(Increase)/Decrease in Other Recurrent Income Liabilities	948,224	964,444	16,220
(Increase)/Decrease in Pay and Expense Liabilities	2,747,867	1,913,741	(834,126)
	<u>8,516,153</u>	<u>5,696,631</u>	<u>(2,819,522)</u>
 Net Movement			 <u><u>(2,598,683)</u></u>

Kerry Education and Training Board

Notes to The Financial Statements - Year Ended 31st December 2020

25 Remuneration

	2020 €	2019 €
(a) Aggregate Employee Benefits		
Staff Short-term benefits	39,937,673	37,139,091
Termination benefits	-	-
	<u>39,937,673</u>	<u>37,139,091</u>
(b) Staff Short-Term Benefits		
Pay (Comprising Basic Pay/Allowances/ Overtime) plus Employers' PRSI	39,937,673	37,139,091
	<u>39,937,673</u>	<u>37,139,091</u>

The pay ranges and the number of employees in each range are:

Pay range	No. Employees	Cost in 2020*
0-59,999	880	18,335,490
60,000-69,999	112	7,357,131
70,000-79,999	113	8,391,273
80,000-89,999	40	3,341,012
90,000-99,999	10	952,712
100,000-109,999	6	627,362
110,000-119,999	7	801,444
120,000-129,999	0	0
130,000-139,999	1	131,249
Total:	1169	39,937,673

*Cost in 2020 includes employers' PRSI

(c) Termination Benefits

There were no termination benefit settlements during the year (2019 Co).

(d) Key Management Personnel

Key management personnel in Kerry ETB consist of the Chief Executive and (i) Directors of Schools, Youth & Music (ii) Director of Further Education and Training and (iii) Director of Organisation Support and Development. The total value of employee benefits for the key management personnel excluding employers' PRSI is set out below:

	2020 €	2019 €
Salary	448,064	430,336
Allowances	-	-
Termination Benefits	-	-
	<u>448,064</u>	<u>430,336</u>

(e) Chief Executive Salary and Benefits

The Chief Executive remuneration package excluding employers' PRSI for the year was:

	2020 €	2019 €
Basic Salary	128,488	124,226
Other	-	-
	<u>128,488</u>	<u>124,226</u>

The Chief Executive is a member of an unfunded defined benefit public sector pension scheme and his entitlements do not extend beyond the standard entitlements available under the scheme.

Kerry Education and Training Board

Notes to The Financial Statements - Year Ended 31st December 2020

26 Specific Costs	2020	2019
	€	€
(a) Consultancy		
The costs of external services under the following headings:		
Legal (includes general legal advice)	44,961	72,016
Financial / Actuarial	-	-
Public relations/marketing	-	-
Human Resources	-	-
Audit Fee (Annual external audit)*	-	41,000
Other	33,276	14,247
	<u>78,237</u>	<u>127,263</u>
 (b) Legal Costs and Settlements		
Legal costs and settlements for the year can be analysed under:		
Legal fees - legal proceedings	-	-
Conciliation and arbitration payments	-	-
Settlements	-	35,000
	<u>-</u>	<u>-</u>
Additional legal costs and settlements were paid by Kerry ETB's insurance body.		
(c) Travel and Subsistence		
Travel and subsistence costs comprise:		
Domestic		
- expenses paid to Board Members	4,354	23,205
- expenses paid for Board Members	-	-
- expenses paid to employees	71,876	178,921
	<u>76,230</u>	<u>202,126</u>
International		
- expenses paid to Board Members	-	903
- expenses paid for Board Members	-	-
- expenses paid to employees	-	5,965
	<u>-</u>	<u>6,868</u>
Total	<u>76,230</u>	<u>208,994</u>
(d) Hospitality		
Hospitality costs incurred were:		
Staff Hospitality	-	-
Other	1,625	-
	<u>1,625</u>	<u>-</u>

Kerry Education and Training Board

Notes to The Financial Statements - Year Ended 31st December 2020

27 Board members' expenses

Expenses and fees are paid to Board members for travel to Board-related meetings and other meetings. The aggregate expenses paid to each member in the year ended the 31 December 2020 were:

Board member	Statutory Meetings	Interview Boards	Attendance at Conferences / Seminars	BOM	Other	Total Expenses	Total Fees
	€	€	€	€	€	€	
Mr. Joe Brennan	-	-	-	65	-	65	-
Cllr. Michael Cahill	-	-	-	-	120	120	-
Cllr. Pa Daly	-	-	-	-	-	-	-
Mr. Tim Daly	-	-	-	-	-	-	-
Cllr. Deirdre Ferris	-	-	-	-	-	-	-
Cllr. Jim Finucane (Chair) *	-	20	-	-	2,401	2,421	1,045
Cllr. Fionnan Fitzgerald	-	-	-	-	-	-	-
Cllr. Cathal Foley	-	-	-	-	-	-	-
Cllr. Maura Healy Rae	-	-	-	-	-	-	-
Zaib Kassoob	-	-	-	-	-	-	-
Mr. Noel Keenan**	-	92	-	-	-	92	131
Ms. Joan McCrohan	-	-	-	-	-	-	-
Cllr. Marie Moloney	-	-	-	-	-	-	-
Cllr. Norma Moriarty	59	152	-	-	-	211	392
Cllr. Terry O'Brien	-	-	-	-	-	-	-
Cllr. Niall O'Callaghan	-	211	526	-	27	764	784
Ms. Maria O'Gorman	110	452	-	-	105	667	2,090
Mr. John O'Rourke	-	-	-	-	-	-	-
Ms. Catherine O'Sullivan	-	-	-	-	-	-	-
Ms. MaryAnn Slattery	-	-	-	-	-	-	-
Cllr. Aoife Thornton	-	-	-	14	-	14	-
Cllr. Johnnie Wall	-	-	-	-	-	-	-
Total	169	927	526	79	2,653	4,354	4,442

*Chairperson

**Member of ETBI National Parent's Association

28 Committee Fees

The following fees were paid to Non- Board Committee members

	2020	2019
	€	€
Audit & Risk Committee (ARC) (No. of Non Board ARC members 2020 3, 2019 2)	4,864	2,268
Finance Committee (FC) (No. of Non Board FC members 2020 3, 2019 2)	4,447	2,744
	<u>9,311</u>	<u>5,012</u>

In 2020 the ARC met 6 times (2019: 4 times). In 2020 the FC met 5 times (2019: 2 times).

29 Chief Executive's Travel Expenses

	2020	2019
	€	€
Domestic Travel	6,066	8,410
Foreign Travel	-	180
	<u>6,066</u>	<u>8,590</u>

Kerry Education and Training Board

Notes to The Financial Statements - Year Ended 31 December 2020

30 Capital Commitments

At 31 December 2020 Kerry ETB had capital commitments of €1,739,467 (2019 €1,197,465). All of the above capital expenditure will be Exchequer funded.

31 Lease Commitments

At 31 December 2020 Kerry ETB had future minimum lease payments under non- cancellable operating leases as follows:

	31/12/2020	31/12/2019
	€	€
Leases which expire:		
Within one year	340,025	93,375
Between two and five years	1,059,519	1,186,492
After 5 years	4,280,182	4,717,898
	<u>5,679,726</u>	<u>5,997,765</u>

32 Contingencies

At the date of approval of these financial statements, there were no significant legal proceedings in respect of events that occurred on or before the 31/12/2020.

33 Additional Superannuation Contribution

€1,074,322 was deducted from staff and paid over to the Department of Education. €1,939 was deducted from staff and paid over to Tusla.

34 Write - Offs

In 2020 sanction was given by Department of Public Expenditure and Reform to the National Shared Services Office (NSSO) who act as payroll providers for ETB pensioner payments to write off overpayments to the value of €250 for individual deceased pensioners on the Superannuation Scheme/Schemes. In 2020, €84 was written off on behalf of Kerry ETB.

35 Annual Contribution to Education and Training Boards Ireland

Kerry ETB made a contribution of €56,033 to ETBI in 2020.

36 Charity Note

Kerry ETB has charitable status under the Charities Act 2009 and is registered with the Charities Regulator. The Charity Number is CHY 20885.

37 Connected Persons

There were no transactions with connected persons during the year.

Kerry Education and Training Board

Notes to The Financial Statements - Year Ended 31st December 2020

38 Property	Primary level and Post Primary Level	Centres	Head Office	Others
Property in use:				
Owned (Appendix 1)	9	9		
Not Owned- Leased (Note 38A)	3	21	3	
Not Owned- Other (Note 38B)		4		1
Property not in Use (Note 38C)				1
Properties in use by a 3rd Party (Note 38D)				13
Total	12	34	3	15

38A Property not Owned - Leased	Location	Annual Rent per agreement	Expiry Date
Category		€	
Administrative Offices			
Head Office, Unit 102	Centrepoint, John Joe Sheehy Road, Tralee	€51,488	31/12/2027
Head Office, Units A, B and C	Centrepoint, John Joe Sheehy Road, Tralee	€201,489	31/07/2027
FET Recruitment Office	7 Denny Street, Tralee	€20,910	16/01/2025
Community National Schools			
Two Mile Community National School	Fossa, Killarney	€4,000	10/08/2041
Pobail Scoil An Ghleanna	Ballinskelligs, Co. Kerry	€2,000	31/08/2043
Tahilla Community National School	Tahilla, Sneem, Co. Kerry	€4,000	31/08/2043
Centres			
Killarney ABE	37 High Street, Killarney	€27,060	01/01/2023
Killarney VTOS	New Street, Killarney	€44,400	31/08/2021
Killarney Youthreach	50 High Street, Killarney	€68,880	30/04/2029
LCA Youthreach Tralee	Áras an Phobail, Croílár na Mistéalach, Tralee	€45,000	24/07/2024
Liber House Tralee ABE	Units 3H, 3I and 5D Liber House, Monavalley Tralee	€32,550	21/08/2021
Listowel Youthreach	Butler Centre, 12 The Square, Listowel	€60,000	31/12/2028
South Kerry VTOS (incl ABE)	The Lodge, Market Street, Killorglin	€26,000	Rolling Monthly
Tralee Youthreach	The Rock Business Centre, Rock Street, Tralee	€43,000	31/12/2021
Kerry College Monavalley Campus - Unit 5	Unit 5 - Monavalley Industrial Estate, Tralee	€24,600	31/12/2021
Kerry College Monavalley Campus- Unit 7 & 8	Unit 7&8 Monavalley Industrial Estate, Tralee	€34,440	30/12/2022
Kerry College Monavalley Campus Unit - 9, Block T	Unit 9 Block T-Monavalley Industrial Estate, Tralee	€68,880	31/12/2026
Kerry College Denny St Campus	Ground Floor Unit of 13/14 Denny St, Tralee	€55,166	30/09/2023
Kerry College Denny St Campus	No 5, 6, 7 & 8 Denny Street, Tralee	€118,621	31/08/2028
Kerry College Monavalley Campus- Block F - Monavalley Tralee (Ansaldo Building)	Monavalley Industrial Estate, Tralee	€49,200	30/06/2021
Kerry College Monavalley Campus - Units 1 & 4, Davcon House	Units 1 & 4, Davcon House - Monavalley Industrial Estate, Tralee	€49,500	30/09/2025
Block E - South Campus MTU	Clash Industrial Estate, Tralee	€71,361	31/07/2024
Boherbee, Tralee	O'Donoghue Garage Boherbee, Tralee.	€28,000	23/08/2021
Killorglin ABE	Unit 1 & 2 Lower Bridge Street, Killorglin	€27,035	18/10/2022
Castleisland Ault Basic Education	Community Centre, Tonbwee, Castleisland	€9,990	30/06/2021
Collis Sandes House (Gaelcholáiste Chiarraí)	Killeen, Oakpark, Tralee	€110,000	31/07/2021
Dingle ETB Training Centre	Rice House, Goat Street, Dingle	€32,000	30/11/2021

38B Property not Owned - Other (Licenced, Managed, Service Level Agreements and PPP)				
Category	Location	Status	Annual Rent per agreement	Expiry Date
Kerry College Listowel Campus	58 Church Street, Listowel	Licenced	€20,350	30/05/2021
Kerry College Listowel Campus	24 The Square, Listowel	Licenced	€14,800	30/05/2021
Kerry College Monavalley Campus	Liebherr House, Monavalley	Licenced	€23,400	30/05/2021
Tralee ABE	Liebherr House, Monavalley	Licenced	€23,625	30/05/2021
Storage Facility	Boherbee Tralee	Licenced	€28,000	24/08/2021

38C Properties not in use:		
Category	Location	Status
Others		
Raheen Old Technical School	Headford Killarney	Owned

38D Properties in use by a 3rd Party				
Category	Location	Status	€ Annual Rent per agreement	Expiry Date
Killorglin Community Childcare (Scamps & Scholars)	Langford Street, Killorglin	Leased	€1	20/02/2022
Killorglin Community Childcare (Scamps & Scholars)	Car Park	Leased	€1	20/02/2022
Killorglin Sports Complex	Langford St Killorglin	Leased	€10	31/12/2082
Tralee Regional Sports and Leisure Centre	Clounalour, Oakpark, Tralee	Leased	€1	31/01/2047
Na Leanai Childcare Facility Causeway	Dromkeen West Causeway	Leased	€1	31/12/2026
Two Mile Pre-School Licence Agreement	Fossa, Killarney	Licenced	€1,560	28/06/2021
Castleisland AFC Licence Agreement	Castleisland Community College	Licenced	€10	17/12/2039
Causeway Gaa Club Licence Agreement	Dromkeen West Causway Co.Kerry	Licenced	€100	N/A
Causeway Hurling Wall Licence Agreement	Dromkeen West Causway Co.Kerry	Licenced	€10	N/A
Causeway Sports Hall Licence Agreement	Dromkeen West Causway Co.Kerry	Licenced	€10	N/A
Cappanalea- Signage Licence Agreement	Killorglin Co.Kerry	Licenced	€100	N/A
IT Tralee- Kerry ETB Car Park Licence Agreement	Clash RD Tralee	Licenced	€1,200	01/01/2022
Kerry County Board - Pitch at Tralee Sports & Leisure Complex Licence Agreement	Oakpark Tralee Co.Kerry	Licenced	€10	01/01/2035

Notes:

Owned - Kerry ETB hold full title and ownership of these properties.

Leased - Kerry ETB holds a lease for these properties.

Licenced - Kerry ETB holds a licence for these properties. A Licence is used for shorter term agreements where Kerry ETB do not wish to commit to a long term lease due to operational reasons and funding.

Kerry ETB Properties in use by a third party also operate under a licence agreement as Kerry ETB do not issue leases for any of its properties.

Managed - The property is owned by another party (usually Department of Education or County Council) and Kerry ETB only manage the property or part thereof. Kerry ETB is not the owner or the patron.

Service Level Agreement - Similar to Managed Properties.

PPP- Public Private Partnership

Kerry Education and Training Board

Notes to The Financial Statements - Year Ended 31st December 2020

39 The impact of Covid 19

The COVID 19 pandemic developed rapidly in 2020. Measures taken by our government to contain the virus have affected how we operate. Kerry ETB has taken a range of measures to monitor and mitigate the effects of COVID 19 including putting in place required safety and public health measures for our staff, student participants and beneficiaries such as social distancing and working from home.

Notwithstanding the impact of COVID 19, Kerry ETB continues to carry out its vital role in education and training with a focus on ensuring continuity of education for learners, including a particular focus on more vulnerable students.

Since March 2020 the pandemic has had a financial implications for Kerry ETB and we have received additional resources in the form of government grants to assist us in continuing our role.

In 2020 we received the following additional COVID 19 related funding:

- * Department of Education – COVID 19 Sanitiser and P.P.E. Grants-€117,100
- * Department of Education – COVID 19 Additional Supervision Arrangements-€94,115
- * Department of Education – School Aides/Calculated Grades Aides- €33,326
- * Department of Education – Minor Works Grant- €631,164

This additional grant assistance provided funding across a range of areas of expenditure arising from the pandemic such as:

Minor Works including classroom reconfiguration

- * Hand sanitiser and PPE
- * Enhanced Supervision Support
- * Additional Short term COVID related leases
- * Cleaning support
- * Software licences and IT equipment
- * Calculated grades aides

The additional costs incurred were partially offset by savings in the areas of

- * Substitution costs,
- * Travel and subsistence
- * Consumables and
- * Savings associated with the delivery of Further Education and Training provision, including apprenticeships, where classes did not take place as scheduled and there was a drop in learner payments.

Kerry ETB has taken the following steps to manage and mitigate the effects of the pandemic on its operation:

- * Kerry ETB engaged its business continuity plan to ensure that its operations continued as normal in line with its regulatory requirements.
- * The Audit and Risk Committee reviewed the updated risk register to take account of the specific risks arising from COVID 19 and Kerry ETB developed and implemented additional control measures as required.
- * The Department of Education put in place a range of steering and engagement structures to support the education and training system in navigating the challenges of COVID-19. Kerry ETB is participating in these structures to ensure a joined-up approach across the education sector

In the short term we will continue to follow the various government policies and advice and, in parallel, we will do our utmost to continue our vital role in the best and safest way possible. In the medium to long term, the ETB sector will also have a significant role to play in the overall system response needed for labour market activation which will form part of a broader cross government and cross agency response. This has been seen already in particular through the provision of measures contained in the Government July Jobs Stimulus such as the Skills to Connect initiative and retrofitting courses which are being rolled out across ETBs.

40 Approval of the Financial Statements

The Financial Statements for the year ended 31/12/2020 were approved by the Board of Kerry ETB on 30th March 2021.

Kerry Education and Training Board

Year Ended 31st December 2020

Appendix 1

Kerry ETB owns the following properties from which it provides educational services:

Category	Location
Primary level and Post Primary Level	
Castleisland Community College	Tonbwee, Castleisland
Causeway Comprehensive School	Droomkeen West, Causeway
Colaiste Gleann Lí Tralee	Clash West, Tralee
Colaiste na Riochta Listowel	Upper Church St Listowel
Colaiste na Sceilge, Cahericeveen	Garranebane, Cahirciveen
Gaelcholaiste Charrai	Moyderwell, Tralee
Killarney Community College	Inch, Killarney
Killorglin Community College	Farrantooreen, Killorglin
Centres	
Kerry College Clash Campus	Clash West, Tralee
Kerry College Monavalley Campus	Monavalley, Tralee
Kenmare Adult Education Centre	Bell Heights, Kenmare
O'Connell Adult Education Centre	Carhan Road, Caherciveen
Tech Amergin	Spunkane, Waterville
An Tochar Adult Education Centre Causeway	
Tralee VTOS (Teach Eolas)	Clash West, Tralee
Cappanalea, National Centre for Outdoor Education & Training	Oulagh West, Caragh Lake
Tralee Sports & Leisure Centre	Clounalour, Tralee
Others	
Gaelcholaiste Charrai Nua - Site	Clonmore, Tralee