



**Dearbhú Cáilíochta
agus Cáilíochtaí Éireann**
Quality and
Qualifications Ireland

**QUALIFICATIONS AND QUALITY ASSURANCE AUTHORITY OF IRELAND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023**

QUALIFICATIONS AND QUALITY ASSURANCE AUTHORITY OF IRELAND

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QUALIFICATIONS AND QUALITY ASSURANCE AUTHORITY OF IRELAND

AUTHORITY INFORMATION

Authority Address: 26/27 Denzille Lane
Dublin 2
Ireland
D02 P266

Executive Management Team:

Dr. Pdraig Walsh	- Chief Executive Officer
Mr. Liam Butler	- Senior Manager, Finance, and Procurement
Mr. Eamonn Collins	- Senior Manager, Human and Physical Resources
Ms. Clóna Curley	- Director of Corporate Services
Ms. Laura Flynn	- Head of Partnerships (from 12 June 2023)
Ms. Barbara Kelly	- Director of Awards
Dr. Bryan Maguire	- Director of Integration
Ms. Karena Maguire	- Head of Partnerships (to 2 March 2023)
Dr. Anna Murphy	- Senior Adviser, Strategy and Risk
Dr. Jim Murray	- Director of Development

Members of the Authority: Prof. Irene Sheridan (Chair)	(Chair w.e.f. 3 April 2023)
Ms. Marianne Doyle	(appointed 3 April 2023)
Dr. Sean Duignan	(appointed 3 April 2023)
Dr. Sharon Feeney	(appointed 3 April 2023)
Mr. Blake Hodkinson	
Ms. Clodagh McGivern	USI Nomination (to 30 June 2023)
Mr. Kevin McStravock	(appointed 3 April 2023)
Ms. Anne Naughton	(appointed 3 April 2023)
Mr. Bryan O'Mahony	USI Nomination (from 1 July 2023)
Ms. Maria Ward	(appointed 3 April 2023)
Dr. Pdraig Walsh	Chief Executive Officer

Bank: A.I.B.
1 Lower Baggot Street
Dublin 2
D02 X342

Solicitors: Brian Whitaker & Co Solicitors
4 Dartmouth Place
Dublin 6
D06 XK75

Auditors: The Comptroller and Auditor General
3a Mayor Street Upper
Dublin 1
D01 PF72

Web Site: www.qqi.ie



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Qualifications and Quality Assurance Authority of Ireland

Opinion on the financial statements

I have audited the financial statements of the Qualifications and Quality Assurance Authority of Ireland for the year ended 31 December 2023 as required under the provisions of section 23 of the Qualifications and Quality Assurance (Education and Training) Act 2012. The financial statements comprise

- the statement of income and expenditure and retained revenue reserves
- the statement of comprehensive income
- the statement of financial position
- the statement of cash flows, and
- the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the Qualifications and Quality Assurance Authority of Ireland at 31 December 2023 and of its income and expenditure for 2023 in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

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 the Qualifications and Quality Assurance Authority of Ireland 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 Qualifications and Quality Assurance Authority of Ireland has presented certain other information together with the financial statements. This comprises the governance statement and Authority members' report, and the statement on internal control. 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.

Paula O'Connor
For and on behalf of the
Comptroller and Auditor General

4 December 2024

Appendix to the report

Responsibilities of Board members

As detailed in the governance statement and Authority members' report, the Authority members are responsible for

- the preparation of annual financial statements in the form prescribed under section 23 of the Qualifications and Quality Assurance (Education and Training) Act 2012
- ensuring that the financial statements give a true and fair view in accordance with FRS 102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- 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.

Responsibilities of the Comptroller and Auditor General

I am required under section 23 of the Qualifications and Quality Assurance (Education and Training) Act 2012 to audit the financial statements of the Qualifications and Quality Assurance Authority of Ireland 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 on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Qualifications and Quality Assurance Authority of Ireland's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Qualifications and Quality Assurance Authority of Ireland to cease to continue as a going concern.
- 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.

I 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.

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.

QUALIFICATIONS AND QUALITY ASSURANCE AUTHORITY OF IRELAND

GOVERNANCE STATEMENT AND AUTHORITY MEMBERS' REPORT

GOVERNANCE

The Qualifications and Quality Assurance Authority of Ireland was established under the Qualifications and Quality Assurance (Education and Training) Act 2012.

The functions of the Authority are set out in section 9 of this Act. The Authority is accountable to the Minister for Further and Higher Education, Research, Innovation and Science and is responsible for ensuring good governance and performs this task by setting strategic objectives and targets and making strategic decisions on all key business issues. The regular day-to-day management, control and direction of the Qualifications and Quality Assurance Authority of Ireland are the responsibility of the Chief Executive Officer (CEO) and the Executive Management Team. The CEO and the Executive Management Team must follow the broad strategic direction set by the Authority and must ensure that all Authority members have a clear understanding of the key activities and decisions related to the entity, and of any significant risks likely to arise. The CEO acts as a direct liaison between the Authority and management of the Qualifications and Quality Assurance Authority of Ireland.

AUTHORITY RESPONSIBILITY

The work and responsibilities of the Authority are set out in the Schedule of Reserved Functions, which also contains the matters specifically reserved for Authority decision. Standing items considered by the Authority include:

- declaration of interests,
- reports from committees,
- financial reports/management accounts,
- performance reports, and
- reserved matters.

Section 23 of the Qualifications and Quality Assurance (Education and Training) Act 2012 requires the members of the Qualifications and Quality Assurance Authority of Ireland to keep, in such form as may be approved by the Minister for Further and Higher Education, Research, Innovation and Science with consent of the Minister for Public Expenditure, National Development Plan Delivery and Reform, all proper and usual accounts of money received and expended by it.

In preparing these financial statements, the members of the Qualifications and Quality Assurance Authority of Ireland are required to:

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that it will continue in operation, and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Authority is responsible for keeping adequate accounting records which disclose, with reasonable accuracy at any time, its financial position and enables it to ensure that the financial statements comply with Section 23 of the Qualifications and Quality Assurance (Education and Training) Act 2012. The maintenance and integrity of the corporate and financial information on the Qualifications and Quality Assurance Authority of Ireland's website is the responsibility of the members.

The members of the Authority are responsible for approving the annual plan and budget. The members evaluate the performance of the Qualifications and Quality Assurance Authority of Ireland by reference to the annual plan and budget at every Authority meeting.

The members of the Authority are also responsible for safeguarding its assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The members of the Authority consider that the financial statements of the Qualifications and Quality Assurance Authority of Ireland give a true and fair view of the financial performance and the financial position of the Qualifications and Quality Assurance Authority of Ireland at 31 December 2023.

QUALIFICATIONS AND QUALITY ASSURANCE AUTHORITY OF IRELAND

GOVERNANCE STATEMENT AND AUTHORITY MEMBERS' REPORT

(CONTINUED)

The Authority consists of a Chairperson, the Chief Executive (Ex Officio member) and eight ordinary members, all of whom are appointed by the Minister for Further and Higher Education, Research, Innovation and Science. The members of the Authority are appointed for a maximum of five years and meet a minimum of four times per annum. The table below details the appointment period for members serving during the year:

Authority Member	Role	Date Appointed
Prof. Irene Sheridan	Chairperson	13 March 2018 (appointed Chairperson w.e.f. 3 April 2023)
Ms. Marianne Doyle	Ordinary Member	3 April 2023
Dr. Sean Duignan	Ordinary Member	3 April 2023
Dr. Sharon Feeney	Ordinary Member	3 April 2023
Mr. Blake Hodkinson	Ordinary Member	13 March 2018
Ms. Clodagh McGivern	Ordinary Member	1 July 2022 (to 30 June 2023)
Mr. Kevin McStravock	Ordinary Member	3 April 2023
Ms. Anne Naughton	Ordinary Member	3 April 2023
Mr. Bryan O'Mahony	Ordinary Member	1 July 2023
Ms. Maria Ward	Ordinary Member	3 April 2023
Dr. Padraig Walsh	Chief Executive	11 January 2021

Prior to the term of the second Authority of QQI ending, the Authority decided, instead of carrying out its annual review of effectiveness, to instead carry out an exercise on its reflections of its five-year term. This was conducted in Quarter 4, 2022. As the third Authority only commenced its term in April 2023, the planned External Review of the effectiveness of the Authority and its Committees will take place in 2024 instead to allow the new Authority time to establish itself.

The Authority has established six committees, as follows:

- 1. Audit and Risk Committee:** Due to the size of the Authority, membership of the Audit and Risk Committee comprises of two Authority Members (one of whom is the Chairperson of the Committee) and three external non-Authority Members (as opposed to three Authority Members as required by the Code of Practice). The role of the Audit and Risk Committee is to support the Authority in relation to its responsibilities for issues of risk, internal control and governance and associated assurance. The Audit and Risk Committee is independent from the financial management of the organisation. In particular, the Committee ensures that the internal control systems including audit activities are monitored actively and independently. The Audit and Risk Committee reports to the Authority after each meeting, and formally in writing annually.

The members of the Audit and Risk Committee are Blake Hodkinson (Chairperson), Marianne Doyle (commenced 3 July 2023) and external non-Authority members, Kate Cullen, Pearl Cunningham, and Walter Johnston. There were four meetings of the committee in 2023.

- 2. Policies and Standards Committee** comprises two Authority members and eight other members. The purpose of the Policies and Standards Committee is to apply its expertise to considering QQI draft policy and making recommendations to the Authority regarding the approval of these policies in line with the organisation's strategy; it can also agree, or refer to the Authority, modifications to policy. It will also consider and may act on recommendations from the Executive to determine standards of knowledge, skill and competence for education and training awards or to endorse subject guidelines concerning knowledge, skill, and competence for higher education awards.

The members of this committee are Kevin McStravock (Chairperson) (commenced 2 October 2023), Anne Naughton (commenced 2 October 2023), Achim Hopbach, Bryan Maguire, Hannah McGee, Jim Murray, Damien Owens, Alan Power, and Cassy Taylor. There were four meetings of the committee in 2023.

QUALIFICATIONS AND QUALITY ASSURANCE AUTHORITY OF IRELAND

GOVERNANCE STATEMENT AND AUTHORITY MEMBERS' REPORT

(CONTINUED)

1. **Programmes and Awards Executive members.** The purpose of the Programmes and Awards Executive Committee is primarily to perform such of the Authority's functions as to ensure that programmes and the awards to which they lead that are recognised within the National Framework of Qualifications (NFQ) are appropriate and consistent. The decisions and recommendations of the Committee are informed by external expertise and recommendations, normally provided in the form of external panel reports and the outcomes of monitoring and review activities carried out by QQI.

The members of this committee are Pdraig Walsh (Chairperson), Órla Barry, Andrea Durnin, Mary Grennan, Barbara Kelly, Jim Murray, and John O'Connor. There were six meetings of the committee in 2023.

2. **Programmes and Awards Oversight Committee:** comprises two Authority members and five other members. The purpose of the Programmes and Awards Oversight Committee is to review and analyse the activities of the Programmes and Awards Executive Committee, and on that basis to provide advice and make recommendations to the Programmes and Awards Executive Committee on the fulfilment of its purpose. It will also confirm or refer back decisions referred to it by the Programmes and Awards Executive Committee, as required.

The members of this committee are Sharon Feeney (Chairperson) (commenced 5 December 2023), Maria Ward (commenced 5 December 2023), Billy Bennett, Cróna Gallagher (commenced 5 December 2023), Mark Kane, Mary Meaney (ended 6 October 2023), Brendan O'Dea and Seán Rowland. There were two meetings of the committee in 2023.

3. **Approvals and Reviews Committee:** comprises two Authority members and eight other members. The purpose of the Approvals and Reviews Committee is to perform such of the Authority's functions as to ensure that providers, to which it grants access to external quality assurance, the International Education Mark, and delegated authority, have met and continue to meet, the associated criteria.

The members of this committee are Sean Duignan (Chairperson, commenced 26 September 2023), Irene Sheridan (Chairperson, ended 17 July 2023), Bryan O'Mahony (commenced 26 September 2023), Clodagh McGivern (ended 30 June 2023), Fiona Farr, Laura Flynn, Carol Hanney, William Kelly, Anna Murphy, Ronan O'Loughlin, Gerry O'Sullivan, and Tony Pettit. There were four meetings of the committee in 2022.

4. **HR and Organisation Committee:** comprises three Authority members. The HR & Organisation Committee assists and advises the Board in order to reinforce its own governance and oversight in the areas of HR and the CEO performance.

The members of this committee are Irene Sheridan (commenced 4 December 2023), Sharon Feeney (commenced 4 December 2023) and Blake Hodkinson. There was one meeting of the committee in 2023.

QUALIFICATIONS AND QUALITY ASSURANCE AUTHORITY OF IRELAND

GOVERNANCE STATEMENT AND AUTHORITY MEMBERS' REPORT

(CONTINUED)

SCHEDULE OF ATTENDANCE, FEES, AND EXPENSES

A schedule of attendance at the Authority and Committee meetings for 2023 is set out below including the fees and expenses received by each member. The amounts stated include travel and subsistence in performance of role as members of QQI authority and other QQI duties.

	Authority	ARC	PSC	PAEC	PAOC	A&RC	HR&OC	Fees 2023	Expenses 2023
TOTAL	5	4	4	6	2	4	1		
Prof. Irene Sheridan	5(5)					2(2)	1(1)	N/A	2,399
Ms. Marianne Doyle	4(5)	1(1)						N/A	-
Dr. Sean Duignan	5(5)					2(2)		N/A	381
Dr. Sharon Feeney	5(5)				1(1)		1(1)	N/A	2,200
Mr. Blake Hodkinson	4(5)	4(4)					1(1)	N/A	-
Ms. Clodagh McGivern	1(2)					1(2)		N/A	-
Mr. Kevin McStravock	5(5)		2(2)					N/A	397
Ms. Anne Naughton	5(5)		2(2)					N/A	386
Mr. Bryan O'Mahony	2(2)					1(2)		N/A	-
Ms. Maria Ward	5(5)				1(1)			N/A	101
Dr. Pdraig Walsh*	5(5)			6(6)				N/A	2,737
TOTAL								NIL	8,601

Meeting attendance above is listed as number of meetings attended (number of meetings eligible to attend).

QQI Authority Members do not receive fees.

- ARC: Audit and Risk Committee
- PSC: Policies and Standards Committee
- PAEC: Programmes and Awards Executive Committee
- PAOC: Programmes and Awards Oversight Committee
- A&RC: Approvals and Reviews Committee
- HR&OC: HR and Organisation Committee

* Includes travel and subsistence in performance of role as CEO

Advisory statement for submissions to Ministers on appointments/re-appointments to Boards

The Minister's attention is drawn to the Government target to achieve 40% representation of each gender in the membership of all State Authorities. At 31 December 2023, QQI had five female Board members (50%) and five male Board members (50%). However, it should be noted that the Union of Students in Ireland (USI) nominee usually serves a membership term of 1-2 years and therefore, changes more frequently than the other members of the Authority.

Gender Balance in the Authority membership

As at 31 December, the Authority had five (50%) female and five male members (50%). Therefore, QQI met the Government target of a minimum of 40% representation of each gender in the membership of State Boards.

KEY PERSONNEL CHANGES

Ms. Karena Maguire, Head of Partnerships retired with effect from 2 March 2023. Ms. Laura Flynn was appointed Head of Partnerships with effect from 12 June 2023.

QUALIFICATIONS AND QUALITY ASSURANCE AUTHORITY OF IRELAND

GOVERNANCE STATEMENT AND AUTHORITY MEMBERS' REPORT

(CONTINUED)

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

The Authority is responsible for ensuring that the Qualifications and Quality Assurance Authority of Ireland 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, National Development Plan Delivery and Reform in August 2016. The following disclosures are required by the Code:

EMPLOYEE SHORT-TERM BENEFITS BREAKDOWN

Employees' short-term benefits in excess of €60,000 are set out in note 6 of the annual financial statements.

CONSULTANCY COSTS

Consultancy costs include the cost of external advice to management and exclude outsourced 'business-as-usual' functions. Consultancy costs may be charged against 'Professional fees,' 'Accountancy and Payroll Support,' 'Legal Fees' or 'HR Supports' reflecting the nature and scope of the consultancy service provided.

	2023	2022
		€
Academic Integrity Support	2,800	29,396
Data Protection Contract	24,800	12,502
Risk Management Assistance	-	4,216
Review of Levels 1 – 4 NFQ	-	8,248
Paper on the Irish quality assurance system for FE and HE	6,200	17,955
Board Skills Audit	-	6,150
Consortium-led apprenticeship Review	-	111,991
ELE Guideline Development	-	7,085
Architectural and Design Supports	11,993	-
Market Research	7,906	-
Thematic Analysis	36,800	-
Development of Management Assurance Framework	17,220	-
Plain English Version of Core Standards	12,500	-
Trademark Defense	2,620	-
National Student Engagement Programme (NStEP)	60,000	30,000
	<hr/>	<hr/>
Consultancy costs charged to Income and Expenditure	182,839	227,543

QUALIFICATIONS AND QUALITY ASSURANCE AUTHORITY OF IRELAND
GOVERNANCE STATEMENT AND AUTHORITY MEMBERS' REPORT
(CONTINUED)

LEGAL COSTS AND SETTLEMENTS

There was no expenditure in the reporting period in relation to legal costs, settlements and conciliation and arbitration proceedings relating to contracts with third parties. This does not include expenditure incurred in relation to general legal advice received by the Qualifications and Quality Assurance Authority of Ireland which is disclosed in Legal Fees.

TRAVEL AND SUBSISTENCE EXPENDITURE

Travel and subsistence expenditure is categorised as follows:

	2023	2022
	€	€
Domestic		
- Authority*	3,665	12,999
- Employees	31,677	7,608
International		
- Authority *	2,200	5,758
- Employees	41,192	24,342
Total	<u>78,734</u>	<u>50,707</u>

QQI incurred total travel and subsistence costs of €5,865 in relation to Authority members in 2023 (2022: €18,757).

HOSPITALITY EXPENDITURE

The Income and Expenditure Account includes the following hospitality expenditure:

	2023	2022
	€	€
Staff welfare and hospitality	<u>21,973</u>	<u>17,477</u>

QUALIFICATIONS AND QUALITY ASSURANCE AUTHORITY OF IRELAND
GOVERNANCE STATEMENT AND AUTHORITY MEMBERS' REPORT
(CONTINUED)

STATEMENT OF COMPLIANCE

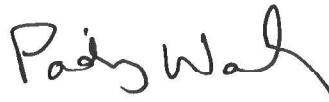
The Authority has adopted the Code of Practice for the Governance of State Bodies (2016).

The Qualifications and Quality Assurance Authority of Ireland was in compliance with the Code of Practice for the Governance of State Bodies in 2023.



Prof. Irene Sheridan
Chairperson

Date



Dr. Padraig Walsh
Chief Executive

Date 2/12/24

QUALIFICATIONS AND QUALITY ASSURANCE AUTHORITY OF IRELAND

STATEMENT ON INTERNAL CONTROL

SCOPE OF RESPONSIBILITY

On behalf of the members of the Qualifications and Quality Assurance Authority of Ireland, we acknowledge our responsibility for ensuring that an effective system of internal controls is maintained and operated.

The system of internal controls can only provide reasonable and not 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.

PURPOSE OF SYSTEM OF INTERNAL CONTROL

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

- Scheduling regular meetings at which the Authority was provided with regular updated reports of expenditure.
- Establishing an Audit and Risk Committee. Its terms of reference included ensuring systems that continually operate and enhance internal control.
- Clearly defining management responsibilities, with responding accountability.
- Monitoring and reporting on process.
- Adopting the principles of corporate governance contained in the Code of Practice for the Governance of State Bodies including:
 - Affirmation of compliance with procurement guidelines as set out in the Code.
 - Affirmation of compliance with disposal of assets and access to assets by third parties as set out in the Code.
 - Review and finalise policies and procedures to ensure the effectiveness of the systems of internal control.
 - Establishing formal procedures to monitor the activities and safeguard the assets of the organisation.

CAPACITY TO HANDLE RISK

Qualifications and Quality Assurance Authority of Ireland has established processes to identify and evaluate financial and business risks by:

- Identifying the nature and extent of financial and business risks that face the Authority.
- Assessing the potential of identified risks occurring.
- Evaluating and assessing the internal capacity of the Authority to manage the risk.

QUALIFICATIONS AND QUALITY ASSURANCE AUTHORITY OF IRELAND

STATEMENT ON INTERNAL CONTROL

(CONTINUED)

RISK AND CONTROL FRAMEWORK

The system of internal controls is based on a framework of regular management information, a system of delegation and accountability, a set of financial procedures, administrative procedures including segregation of duties and rigorous ongoing checks by the finance function. In particular, it includes:

- A comprehensive budgeting system with an annual budget, which is reviewed and approved by the members of the Authority.
- Setting authorisation limits for the disbursement of the Authority's funds.
- Regular review by the members of the Authority of periodic and annual financial information and reports (including management accounts), which indicate financial performance against budgets.

The Audit and Risk Committee was established in 2013. The Audit and Risk Committee met four times in 2023.

The Authority's monitoring and review of the effectiveness of the system of internal control was informed by the Internal Auditor, the Audit and Risk Committee which oversees the work of the Internal Auditor, and the executive managers within the organisation who have responsibility for the development and maintenance of the financial control framework.

Mechanisms for ensuring the adequacy of the security of the Information and Communication Technology (ICT) systems that included the establishment of appropriate policies and control procedures had been established.

IMPACT OF HYBRID WORKING TO THE CONTROL ENVIRONMENT

The onset of hybrid working as a consequence of the COVID pandemic rapidly changed the working practices of QQI. QQI has monitored the impact of hybrid working closely. Actions taken in respect of hybrid working by QQI include: -

- Undertaking Occupational Health Assessments of all staff working remotely to ensure that their work environment is appropriate.
- Implementing necessary adaptations and changed work practices to limit the requirement to attend QQI's physical offices.
- Changing the physical office environment and adapting it in line with best practice.
- Increasing ICT capacity and security protocols to support remote working.
- Ensuring robust segregation of duties remains and adequate cover is in place should specific approving authorities be unavailable.
- Ensuring all existing data protection and records management policies and procedures continue to apply as normal.
- Assessing potential for weaknesses in internal controls resulting from hybrid working and taking measures or adapting/updating processes and internal controls where necessary.

The Authority is of the opinion that there has been no material change to the operation of the internal control environment in QQI as a result of Covid-19.

QUALIFICATIONS AND QUALITY ASSURANCE AUTHORITY OF IRELAND

STATEMENT ON INTERNAL CONTROL

(CONTINUED)

ONGOING MONITORING AND REVIEW

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management in a timely way. We confirm that the following ongoing monitoring systems are in place:

- key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies,
- reporting arrangements have been established at all levels where responsibility for financial management has been assigned, and
- there are regular reviews by the executive management team of periodic and annual performance and financial reports which indicate performance against budgets/forecasts.

PROCUREMENT

We confirm that the Qualifications and Quality Assurance Authority of Ireland has procedures in place to endeavor to ensure compliance with current procurement rules and guidelines.

ANNUAL REVIEW FOR THE YEAR ENDED 31 DECEMBER 2023

We confirm that the Authority conducted a review of the effectiveness of the system of internal control in respect of the financial year ended 31 December 2023. The report was approved by the Authority on 20 February 2024.

REVIEW OF EFFECTIVENESS

The Statement on System of Internal controls has been reviewed by the Audit and Risk Committee and the Authority to ensure it accurately reflects the control system in operation during the reporting period.

A review of internal controls in 2023 was carried out by an external firm and signed off by the Authority in 2024.

The Authority is reasonably assured that the systems of internal control instituted and implemented in the Qualifications and Quality Assurance Authority of Ireland for the financial year ended 31st December 2023 are effective.

QUALIFICATIONS AND QUALITY ASSURANCE AUTHORITY OF IRELAND

STATEMENT ON INTERNAL CONTROL

(CONTINUED)

INTERNAL CONTROL ISSUES

DISCLOSURE OF DETAILS REGARDING INSTANCES WHERE BREACHES IN CONTROL HAS OCCURRED

QQI undertook an independent review of its systems of internal control operating in 2023. The review did not identify any breaches of Internal Control. The report was approved by the Audit and Risk Committee of QQI in February, 2024. The Authority is satisfied that QQI has a robust system of Internal.

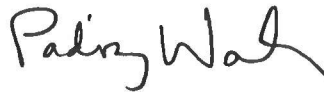
Details of breaches	Mitigating actions
During the course of the audit, it was identified that QQI had undertaken a conference at a cost of €114,306 (incl VAT) which was not subject to public procurement guidelines.	This hosting of this conference was arranged with the venue at short notice following the withdrawal of the originally arranged venue. QQI will review procedures so as to ensure that similar spend meets the requirements of Public Procurement Guidelines going forward.

Signed on behalf of the Qualifications and Quality Assurance Authority of Ireland:



Prof. Irene Sheridan
Chairperson

Date



Dr. Padraig Walsh
Chief Executive

Date

2/12/24

QUALIFICATIONS AND QUALITY ASSURANCE AUTHORITY OF IRELAND
STATEMENT OF INCOME AND EXPENDITURE AND RETAINED REVENUE RESERVES
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 €	2022 €
INCOME			
Grant	2	5,935,000	5,290,558
Fee Income	3	5,998,716	6,580,959
EU Projects Income	4	70,213	289,969
Other Income	5	9,385	30,718
		12,013,314	12,192,204
Net Deferred Funding for Pensions	24(b)	1,805,000	1,868,000
		13,818,314	14,060,204
EXPENDITURE			
Staff Costs	6	8,912,934	8,864,519
Accommodation Costs	9	734,264	723,126
Member Costs	7	9,497	22,777
Corporate Services	10	531,823	342,154
Qualifax	11	142,309	68,101
Panel Fees and Expenses	12	1,756,714	790,539
Central Administration Costs	13	546,036	528,548
Information Communications Technology	14	2,941,792	2,770,664
Depreciation	15	72,724	119,720
		15,648,093	14,230,148
(DEFICIT) FOR THE YEAR		(1,829,779)	(169,944)
Transfer (to)/from Capital Account	19	(1,936)	3,262
		(1,831,715)	(166,682)
Balance Brought Forward at 1 January		3,565,059	3,731,741
Balance Carried Forward at 31 December		1,733,344	3,565,059

The Statement of Cash Flows and notes 1 - 26 form part of these financial statements. All income and expenditure for the year relates to continuing activities.


Prof. Irene Sheridan
 Chairperson

Date


Dr. Padraig Walsh
 Chief Executive

Date 2/12/24

QUALIFICATIONS AND QUALITY ASSURANCE AUTHORITY OF IRELAND

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023**

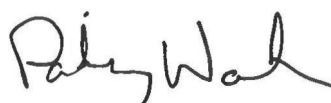
	Note	2023	2022
		€	€
(DEFICIT) FOR THE FINANCIAL PERIOD		(1,831,715)	(166,682)
Experience gains / (losses) on pension scheme	24(f)	373,000	(453,000)
Changes in assumptions underlying the present value of pension scheme liabilities		(28,000)	17,004,000
Actuarial (losses) on pension liabilities		(345,000)	16,551,000
Adjustment to deferred pension funding	24(e)	345,000	(16,551,000)
Total comprehensive income for the year		(1,831,715)	(166,682)

The Statement of Cash Flows and notes 1 - 26 form part of these financial statements.



Prof. Irene Sheridan
Chairperson

Date



Dr. Padraig Walsh
Chief Executive

Date 2/12/24

QUALIFICATIONS AND QUALITY ASSURANCE AUTHORITY OF IRELAND

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

	Note	As at 31 December 2023 €	As at 31 December 2022 €
FIXED ASSETS			
Property, Plant and Equipment	16	247,099	245,163
CURRENT ASSETS			
Receivables	17	1,347,973	2,956,127
Cash and Cash Equivalents		1,989,025	1,540,183
		3,336,998	4,496,310
CREDITORS (AMOUNTS FALLING DUE WITHIN ONE YEAR)			
Payables	18	(1,603,654)	(931,251)
NET CURRENT ASSETS		1,733,344	3,565,059
TOTAL ASSETS LESS LIABILITIES BEFORE PENSIONS		1,980,443	3,810,222
Deferred Pension Funding	24(d)	45,917,000	44,457,000
Pension Liabilities	24(e)	(45,917,000)	(44,457,000)
NET ASSETS		1,980,443	3,810,222
REPRESENTED BY:			
Capital Account	19	247,099	245,163
Retained Revenue Reserve		1,733,344	3,565,059
		1,980,443	3,810,222

The Statement of Cash Flows and notes 1 - 26 form part of these financial statements.


Prof. Irene Sheridan
Chairperson

Date


Dr. Padraig Walsh
Chief Executive

Date 2/12/24

**QUALIFICATIONS AND
QUALITY ASSURANCE AUTHORITY OF IRELAND**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	2023 €	2022 €
Net cash inflow from operating activities			
(Deficit) for the year		(1,831,715)	(166,682)
Capital account movement	19	1,936	(3,262)
Depreciation	15	72,724	119,720
Loss on Disposal of fixed assets		-	1,190
Decrease / (Increase) in receivables	17	1,608,154	(86,391)
Increase / (Decrease) in payables	18	672,403	(209,668)
<hr/>			
STATEMENT OF CASH FLOWS			
Net cash inflow / (outflow) from operating activities		523,502	(345,093)
Cash flows from investing activities			
Payments to acquire fixed assets		(74,660)	(117,648)
<hr/>			
Increase in cash and cash equivalents		448,842	(462,741)
<hr/>			
Cash and cash equivalents at the beginning of the year		1,540,183	2,002,924
Increase in cash and cash equivalents		448,842	(462,741)
Cash and cash equivalents at the end of the year		1,989,025	1,540,183

QUALIFICATIONS AND QUALITY ASSURANCE AUTHORITY OF IRELAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES

The basis of accounting and significant accounting policies adopted by the Qualifications and Quality Assurance Authority of Ireland (QQI) are set out below. They have been applied consistently throughout the year and for the preceding year.

a) GENERAL

The Qualifications and Quality Assurance Authority of Ireland was established on 6 November 2012, by the Minister for Further and Higher Education, Research, Innovation and Science, under Section 7 of the Qualifications and Quality Assurance (Education and Training) Act, 2012.

The objectives of the Authority are as follows:

- Quality assure providers of further and higher education and training and their research and related service.
- Promote, develop, and maintain the National Framework of Qualifications.
- Validate programmes and awards.
- Inform the public about the quality of education and training programmes and qualifications.
- Advise the Minister for Further and Higher Education, Research, Innovation and Science in relation to national policy on quality assurance and enhancement in education and training.

The Qualifications and Quality Assurance (Education and Training) (Amendment) Act 2019 amends and extends the 2012 Act. Specifically, the 2019 Act:

- makes fresh provision concerning the means by which an award's status, with reference to the National Framework of Qualifications, may be established.
- provides for the establishment of a category of awarding bodies known as "*listed awarding bodies*".
- to provide for a requirement that criteria specified in regulations must be met, including criteria for the purpose of affording a reasonable assurance to QQI that a provider has the capacity and capability to provide programmes of education and training consistent with the requirements of that Act.
- provides for the establishment of a "*Protection of Enrolled Learners Fund*", into which an annual charge by certain providers must be paid and from which moneys may, in cases of default in delivery of certain programmes, be paid so to enable enrolled learners complete the programme concerned or so as to be used for certain other purposes.
- makes further provision regarding authorisation to use the International Education Mark (IEM).
- adds to the cases in which a provider may be authorised to describe itself as a "university" and, for that purpose, to amend the Universities Act 1997; and to provide for related matters.

In relation to English Language Teaching Organisations (ELTOs), the accreditation and Coordination of English Language Services (ACELS) is administered by QQI. It is a national, voluntary scheme for English language teaching organisations and is a non-statutory service of QQI that will be superseded by the International Education Mark (IEM). The establishment and implementation of an International Education Mark (IEM) is provided for under the Qualification and Quality Assurance (Education and Training) Act 2012. The IEM is set to commence in 2024.

b) STATEMENT OF COMPLIANCE

The financial statements of the Qualifications and Quality Assurance Authority of Ireland for the year ended 31 December 2023 have been prepared in accordance with FRS 102, the financial reporting standard applicable in the UK and Ireland issued by the Financial Reporting Council (FRC).

QUALIFICATIONS AND QUALITY ASSURANCE AUTHORITY OF IRELAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

c) BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention, except for certain assets and liabilities that are measured at fair values as explained in the accounting policies below.

The Financial Statements are in the form approved by the Minister for Further and Higher Education, Research, Innovation and Science with the concurrence of the Minister for Public Expenditure, National Development Plan Delivery and Reform under the Qualifications and Quality Assurance (Education and Training) Act, 2012.

The Financial Statements are prepared in Euro which is the functional currency of the Authority. The following policies have been applied consistently in dealing with items which are considered material in relation to the Qualifications and Quality Assurance Authority of Ireland's financial statements.

d) REVENUE

Revenue is generally recognised on an accruals basis. One exception to this is in the case of Annual VOTE income which is recognised on a cash receipts basis. Other Government revenue grants are recognised as income and deferred over the periods necessary to match them with the related costs which they are intended to compensate.

e) FEE INCOME

Income shown in the financial statements under Fee Income represents amounts invoiced to third parties in the ordinary course of business. Income is deferred where a fee has been raised and the provision of the service has not commenced.

f) SOFTWARE DEVELOPMENT

Software development costs on major systems are treated as capital items and are written off over the period of their expected useful life from the date of their implementation.

g) PROPERTY, PLANT AND EQUIPMENT

Property, plant, and equipment are stated at cost less accumulated depreciation, adjusted for any provision for impairment. Depreciation is provided on all property, plant and equipment at rates estimated to write off the cost less the estimated residual value of each asset on a straight-line basis over their estimated useful lives, as follows:

Leasehold Buildings (Denzille Lane)	Over lease term (21 years ends 31/12/23)
Capitalised VAT on Lease	Over lease term (21 years ends 31/12/23)
Computer Hardware	33.33%
Computer Software	12.5%
Office Equipment	20%
Office Furniture	10%
Fixtures, Fittings & Telephone	10%

The residual value and useful lives of fixed assets are considered annually for indicators that these may have changed. Where such indicators are present, a review will be carried out of the residual value, depreciation method and useful lives, and these will be amended if necessary. Changes in depreciation rates arising from this review are accounted for prospectively over the remaining useful lives of the assets.

QUALIFICATIONS AND QUALITY ASSURANCE AUTHORITY OF IRELAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

h) CAPITAL GRANTS

Capital grants received by the Authority are recognised as a liability and released to income over the expected useful life of the related assets.

i) CASH AND CASH EQUIVALENTS

Cash consists of cash on hand and demand deposits.

j) FOREIGN CURRENCIES

Transactions denominated in foreign currencies are translated into euro and recorded at the rate of exchange ruling at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies are translated into euro at the rates of exchange ruling at the reporting date or at forward purchase contract rates where such contracts exist.

k) EMPLOYEE BENEFITS

Short-term Benefits

Short term benefits such as holiday pay are recognised as an expense in the year, and benefits that are accrued at year-end are included in the Payables figure in the Statement of Financial Position.

Retirement Benefits

Qualifications and Quality Assurance Authority of Ireland previously established its own defined benefit pension scheme, funded annually on a pay-as-you-go basis from monies provided by the Department of Further and Higher Education, Research Innovation and Science and from contributions deducted from staff and members' salaries. Qualifications and Quality Assurance Authority of Ireland also operates the Single Public Services Pension Scheme ("Single Scheme"), which is a career averaged defined benefit scheme for pensionable public servants appointed on or after 1 January 2013. Single Scheme members' contributions are paid over to the Department of Public Expenditure, National Development Plan Delivery and Reform (DPENDR).

Pension costs reflect pension benefits earned by employees and are shown net of staff pension contributions which are remitted to the Department of Further and Higher Education, Research Innovation and Science. An amount corresponding to the pension charge is recognised as income to the extent that it is recoverable and offset by grants received in the year to discharge pension payments.

Actuarial gains or losses arising on scheme liabilities are reflected in the Statement of Comprehensive Income, and a corresponding adjustment is recognised in the amount recoverable from the Department of Further and Higher Education, Research Innovation and Science.

The financial statements reflect, at fair value, the assets and liabilities arising from Qualifications and Quality Assurance Authority of Ireland's pension obligations and any related funding and recognises the costs of providing pension benefits in the accounting periods in which they are earned by employees. Retirement benefit scheme liabilities are measured on an actuarial basis using the projected unit credit method.

QUALIFICATIONS AND QUALITY ASSURANCE AUTHORITY OF IRELAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

l) RECEIVABLES

Receivables are recognised at fair value, less a provision for doubtful debts. The provision for doubtful debts is a specific provision and is established when there is objective evidence that the Qualifications and Quality Assurance Authority of Ireland will not be able to collect all amounts owed to it. All movements in the provision for doubtful debts are recognised in the Statement of Income and Expenditure and Retained Revenue Reserves.

m) OTHER FINANCIAL LIABILITIES

Trade creditors are measured at invoice price, unless payment is deferred beyond normal business terms or is financed at a rate of interest that is not market rate. In this case the arrangement constitutes a financing transaction, and the financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

n) LEASES

Rental expenditure under operating leases is recognised in the Statement of Income and Expenditure and Retained Revenue Reserves over the life of the lease. Expenditure is recognised on a straight-line basis over the lease period except where there are rental increases linked to the expected rate of inflation, in which case these increases are recognised when incurred. Any lease incentives received are recognised over the life of the lease.

o) CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements.

I. Establishing lives for depreciation purposes of property, plant, and equipment

Long lived assets, consisting primarily of property, plant, and equipment, comprise a significant portion of the total assets. The annual depreciation charge depends primarily on the estimated lives of each type of asset and estimates of residual values. The Authority regularly review these asset lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset lives can have a significant impact on depreciation charges for the period. Detail of the useful lives is included in the accounting policies.

II. Provisions

Provisions are recognised when the Authority has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

III. Contingencies

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

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

QUALIFICATIONS AND QUALITY ASSURANCE AUTHORITY OF IRELAND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023	2022
	€	€
2. GRANT		
Grant towards Administration – Department of Further and Higher Education, Research, Innovation and Science Vote 45 subhead A6		
- Pay	3,011,000	2,681,000
- Pensions	683,000	696,000
- Non-Pay	2,241,000	2,241,000
	<u>5,935,000</u>	<u>5,618,000</u>
- VOTE not drawn	-	(500,000)
- Grant towards COVID and related costs	-	172,558
Net Income Receivable	<u>5,935,000</u>	<u>5,290,558</u>
	2023	2022
	€	€
3. FEE INCOME		
Award Fees	4,571,423	4,286,234
ACELS	66,713	87,875
Validation Fees	577,080	857,610
ETB Review Fees	-	518,240
Other Review Fees	50,000	-
Relationship Fees	733,500	831,000
	<u>5,998,716</u>	<u>6,580,959</u>

AWARD FEES

QQI is the national awarding body for accredited courses run by recognised further and higher education colleges. A schedule of award fees has been approved by the Minister for Further and Higher Education, Research, Innovation and Science and fees are collected from candidates by the relevant further and higher education colleges and paid over to QQI. There are a number of criteria where payment of fees are exempt, including for holders of Medical Cards, Youthreach or VTOS students and candidates for NFQ Level awards 1 to 3.

ACCREDITATION AND CO-ORDINATION OF ENGLISH LANGUAGE SERVICES (ACELS)

ACELS is the national body responsible for the development and management of an inspection/ recognition scheme for English Language Teaching Organisations (ELTOs) nationally. All recognised ELTOs are listed on the ACELS website. ELTOs are required to pay an annual renewal of recognition fee depending on the number of centres in operation. Fees are also chargeable for inspection of new centres and periodic inspections of existing centres.

VALIDATION FEES

Validation is the quality assurance process through which QQI evaluates programmes to ensure they meet the required standards of the award on offer. Learners can then be assured that the programme meets their needs. Fees are payable by providers of Further and Higher Education for this service. The applicable fee is determined whether a programme leads to a major or minor award and the credit value of the award.

ETB REVIEW FEES

QQI established Core Statutory Quality Assurance Guidelines for Education and Training Boards (ETBs) in May 2017. The scope of the guidelines incorporates all education, training, and related services of an ETB, leading to awards. Following re-engagement with QQI in 2018 each ETB established its quality assurance policy and procedures in accordance with section 30 of the Qualifications and Quality Assurance (Education and Training) Act 2012. These policies and procedures are reflective of the evolving and developmental nature of quality assurance within the ETB sector. An external review of quality assurance had not previously been undertaken for the ETB's. QQI commenced the quality assurance external review of the ETBs in 2021. The process was completed in 2022. ETB review fees are the charges raised by QQI to the ETBs to undertake the quality assurance policy and procedure review.

QUALIFICATIONS AND QUALITY ASSURANCE AUTHORITY OF IRELAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

RELATIONSHIP FEES

Relationship fees are fees charged to public Universities and Institutes of Technology for services provided by QQI such as Quality Assurance Services. Under Section 80 of the Qualifications and Quality Assurance (Education and Training) Act 2012, consent of the Minister for Further and Higher Education, Research, Innovation and Science and the Minister for Public Expenditure, National Development Plan Delivery and Reform to charge such fees is required. Consent was received in October 2013 and the collection of the fees commenced in 2014. Ministerial sanction was received in October 2016 to reconfigure the fees charged.

	2023	2022
	€	€
4. EU PROJECTS INCOME		
EUROPASS	52,089	269,640
EUROPASS – Conference Contribution	-	7,144
VISKA	-	12,616
NARIC	18,124	-
RPL	-	569
	70,213	289,969

NATIONAL EUROPASS CENTRE

National Europass Centre is an EU initiative which aims to help people make their skills and qualifications easily understood in Europe thereby facilitating the mobility of Learners and Workers. A network of National Europass Centres has been established throughout Europe in order to co-ordinate the initiative. In Ireland QQI is the designated National Europass Centre.

NARIC

NARIC Ireland is involved in national and international projects aimed at developing and promoting best practice in the recognition of foreign qualifications. Through Erasmus+, QQI is currently participating in the following projects with partners from other ENIC-NARIC centres:

- ARAQUA (Automatic Recognition of Higher Education Access Qualifications) explores higher education access qualifications in the project partner countries to map these qualifications and develop recommendations for NARICs and higher education institutions for their automatic recognition. QQI is reimbursed for staff time and expenses spent on the project.
- OCTRA 2: (Online course catalogues and databases for transparency and recognition 2) explores further the role of online course catalogues of higher education institutions (HEI) in the project countries with a special focus on the micro-credentials to ensure support to HEIs in providing reliable information for recognition about higher education (HE) qualifications including micro-credentials that may lead to automatic recognition of HE qualifications. QQI is reimbursed for staff time spent on the project.
- MARTe is a technological approach to micro-credentials and supports and promotes the European Education Area objectives and the application of the automatic recognition concept. The project explores the possible applications of automatic recognition to micro-credential, by applying text mining technology to learning outcomes. QQI is reimbursed for staff time spent on the project.

RPL PROJECT

Recognition of Prior Learning (RPL) is a process to evaluate the skills and knowledge a person has gained through life outside of formal education and training. QQI participates in this project at the request of the Department of Further and Higher Education, Research, Innovation and Science. The project addresses the finding of the Bologna Implementation Report (2018), which indicates that alternative routes to higher education are rarely used. The project focus is on practice, and the development of practical guidelines. QQI is reimbursed for staff time spent on the project.

QUALIFICATIONS AND QUALITY ASSURANCE AUTHORITY OF IRELAND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

		2023	2022
5.	OTHER INCOME	€	€
	Prompt Payment Interest	735	1,252
	Other Income	8,650	29,466
		<u>9,385</u>	<u>30,718</u>
	Note	2023	2022
6.	STAFF COSTS	€	€
	Salaries and Wages	5,413,316	5,457,460
	Employers Contribution to Social Welfare	514,113	511,354
	Staff Development Costs	63,243	81,261
	Domestic Travel and Subsistence	29,375	7,608
	Foreign Travel and Subsistence	41,192	24,342
	Retirement Benefit Costs	2,824,857	2,761,776
	Hospitality and Staff Welfare	21,973	17,477
	Recruitment Costs	4,865	3,241
		<u>8,912,934</u>	<u>8,864,519</u>

QUALIFICATIONS AND QUALITY ASSURANCE AUTHORITY OF IRELAND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

Gross salary costs of €5,599,294 (2022: €5,968,814) were offset by recoupments of €227,714 (2022: €310,185) in respect of members of the Qualifications and Quality Assurance Authority of Ireland's staff who were redeployed through secondment arrangements to the Department of Further and Higher Education, Research, Innovation and Science.

€230,903 (2022: €236,270) of pension levy has been deducted from salaries and has been paid over to the Department of Further and Higher Education, Research, Innovation and Science during the period. €74,950 (2022: €62,527) of pension contributions in respect of the Single Public Service Pension Scheme has been deducted from salaries and has been paid over to the Department of Public Expenditure, National Development Plan Delivery and Reform during the period.

QQI is required to operate within the Employment Control Framework (ECF) ceiling. QQI's current approved ECF ceiling is 84 WTE. The average number of employees during the year was 81. (2022: 81). QQI employed 78 WTE at the end of 2023. (2022:80). No overtime or allowances were paid in the period. There were no termination payments in the period.

Employee short term benefits in excess of €60,000 are categorised in the following bands;

Range of total employee benefits		Number of Employees	
		2023	2022
From	To		
€60,000	- €69,999	4	8
€70,000	- €79,999	5	8
€80,000	- €89,999	5	3
€90,000	- €99,999	4	3
€100,000	- €109,999	-	10
€110,000	- €119,999	9	4
€120,000	- €129,999	4	-
€130,000	- €139,999	-	-
€140,000	- €149,999	-	-
€150,000	- €159,999	-	1
€160,000	- €169,999	1	-

For the purposes of this disclosure, short term employee benefits in relation to services rendered during the reporting period include salary but exclude employer's PRSI. QQI did not pay overtime or allowances in the period.

KEY MANAGEMENT PERSONNEL

Key management personnel in QQI consists of the members of the Authority, the Chief Executive Officer, and the members of the executive management team. The total value of employee benefits for key management personnel is set out below;

	2023	2022
	€	€
Key Management Personnel	979,633	982,542

QUALIFICATIONS AND QUALITY ASSURANCE AUTHORITY OF IRELAND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

	2023	2022
	€	€
7. AUTHORITY MEMBER COSTS		
Authority Member Training Costs	-	-
		-
<u>Authority Members – Travel and Subsistence</u>		
Domestic Travel	5,245	4,287
Foreign Travel	2,200	4,209
Subsistence/Meals	38	5,188
Accommodation	1,118	1,704
	8,601	15,388
Committee meetings, travel, and subsistence	896	7,389
	9,497	22,777

No fees were paid to members of the Authority for the year 1st January 2023 to 31st December 2023.

	2023	2022
	€	€
8. CHIEF EXECUTIVE OFFICERS' REMUNERATION		
Basic Salaries for the period		
- Dr. Padraig Walsh	168,644	159,567
All-in cost of the Chief Executive Officers' total remuneration	168,644	159,567

Dr. Padraig Walsh had vouched expenses in respect of Travel & Subsistence in 2023 of €2,737 (2022: €170).

The Chief Executive Officers received no performance related pay during the period.

The Chief Executive Officers' pension entitlements do not extend beyond the standard entitlement in the model public sector defined benefit superannuation scheme.

QUALIFICATIONS AND QUALITY ASSURANCE AUTHORITY OF IRELAND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023	2022
	€	€
9. ACCOMMODATION COSTS		
Rent		
26/27 Denzille Lane	367,500	367,500
25 Denzille Lane	50,292	15,417
Lower Mount Street	40,806	81,613
Lower Mount Street (Licence)	51,062	102,123
	509,660	566,653
Service Charges on leased premises	18,781	24,428
Security	10,296	13,339
Insurance	26,634	27,946
Light and Heat	34,357	38,837
Cleaning	37,470	7,501
Rates	755	1,196
Repairs and Maintenance	96,311	43,226
	734,264	723,126
	2023	2022
	€	€
10. CORPORATE SERVICES		
Payroll and Accountancy Support	27,724	14,191
Actuarial Fees	3,075	2,723
Audit Fees	27,400	27,500
Internal Audit Fees	43,312	41,121
Legal Fees	62,288	20,264
Professional Fees		
- General	32,095	88,325
- National Student Engagement Programme (NStEP)	60,000	-
- Plain English Review	12,500	-
- Academic Integrity	4,500	-
- NDFE Advisory Forum	6,750	-
- Market Research	7,906	-
- Architectural Advice	11,993	-
- Management Assurance Framework	17,220	-
- Thematic Analysis	36,800	-
- Data Protection Services	24,800	-
Promotion and Brand Awareness	7,875	9,562
Public Relations	30,177	41,999
Advertising	90,050	95,793
Health and Safety	25,358	676
	531,823	342,154
11. QUALIFAX	2023	2022
	€	€
Qualifax	142,309	68,101

Qualifax provides comprehensive information on further and higher education and information needed to make informed choices about education, training, and career choices.

QUALIFICATIONS AND QUALITY ASSURANCE AUTHORITY OF IRELAND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

		2023	2022
		€	€
12. PANEL FEES AND TRAVEL EXPENSES			
Qualification and Quality Assurance Services		657,677	657,703
Revenue Settlement on PSWT on Panel Fees	Note 25	573,402	-
Research Projects		509,885	129,310
Parchments		15,750	3,526
		1,756,714	790,539
13. CENTRAL ADMINISTRATION COSTS			
Telephone – Land Line		7,369	10,083
Telephone – Mobile		23,977	30,289
Postage and Courier		18,345	29,604
Stationery and Storage		19,877	18,194
Seminars and Conferences		118,739	59,144
Library and Periodicals		183	182
Subscriptions		57,617	58,907
Publications		81,643	67,340
Canteen		4,884	5,105
Conference Expenses and Events		185,962	208,221
Lease/Hire of Office Equipment		162	-
General Office Expenses		13,153	6,309
Bank Charges		2,735	8,834
Photocopying		840	326
Sponsorship and Donations		5,893	3,750
HR Supports		4,657	21,070
Loss on Disposal of Fixed Assets		-	1,190
		546,036	528,548

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FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023	2022
14. INFORMATION COMMUNICATIONS TECHNOLOGY	€	€
IT Software Maintenance and Support	440,433	251,111
IT Software Expenditure/Licensing (Under €1,000)	13,210	28,141
IT Web Services*	18,187	10,101
IT Co-Location/Hosting*	41,965	70,030
IT Computer Hardware Supplies (Under €1,000)	34,922	45,664
Software Support Contractors*	531,885	485,392
Managed Services*	1,861,190	1,880,225
	2,941,792	2,770,664

*QQI provides access to its QBS system to over 700 provider account holders who interact in terms of submissions for awards and certification services, accessing up to date information and submitting queries through a Customer Relationship Management (CRM) system.

	2023	2022
15. DEPRECIATION	€	€
Office Equipment Depreciation	4,032	4,439
IT Hardware Depreciation	7,324	30,239
Office Fixture and Fittings Depreciation	29,672	32,422
IT Software Depreciation	-	2,128
Fit Out Costs Depreciation	31,696	50,492
	72,724	119,720

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16. FIXED ASSETS

	Leasehold Property €	Fit Out Costs €	Office Furniture €	Office Equipment €	IT Hardware €	IT Software €	Total €
Cost							
At 1 st January 2023	2,487,710	1,001,197	504,232	38,762	82,295	4,268,318	8,382,514
Additions	-	68,151	6,509	-	-	-	74,660
Disposals	(2,487,710)	-	-	-	-	-	(2,487,710)
At 31 st December 2023	-	1,069,348	510,741	38,762	82,295	4,268,318	5,969,464
Depreciation							
At 1 st January 2023	2,487,710	952,902	331,558	27,841	69,022	4,268,318	8,137,351
Charge for the year	-	31,696	29,671	4,032	7,325	-	72,724
Disposals	(2,487,710)	-	-	-	-	-	(2,487,710)
At 31 st December 2023	-	984,598	361,229	31,873	76,347	4,268,318	5,722,365
Net Book Value							
At 31 st December 2023	-	84,750	149,512	6,889	5,948	-	247,099
At 31 st December 2022	-	48,295	172,674	10,921	13,273	-	245,163

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	As at 31 December 2023	As at 31 December 2022
	€	€
17. RECEIVABLES		
Debtors	1,072,973	1,306,432
Provision for bad debts	(53,654)	(40,854)
	1,019,319	1,265,578
Prepayments	224,137	335,095
Accrued Income	-	314,290
Other Debtors	104,517	70,040
Payments in Advance	-	971,124
	1,347,973	2,956,127

The fair values of debtors and prepayments approximate to their carrying amounts. All debtors are due within one year. Debtors are shown net of impairment in respect of doubtful debts.

	As at 31 December 2023	As at 31 December 2022
	€	€
18. AMOUNTS DUE WITHIN ONE YEAR		
Creditors	100,492	117,818
Accruals	1,180,104	706,400
PAYE/PRSI	177,463	30,898
Professional Services Withholding Tax	20,515	20,856
Deferred Income	125,080	55,279
	1,603,654	931,251

Tax and social insurance are subject to the terms of the relevant legislation. Interest accrues on late payment. No interest was due at the financial year end date. The terms of accruals are based on the underlying contracts. Other amounts included within creditors not covered by specific note disclosures are unsecured, interest free and repayable on demand.

In November 2022, QQI invited submissions for research bursaries. Following the evaluation of the submissions in early 2023, eight bursaries were awarded totalling €373,663. Payment of the bursaries is contingent on satisfactory submission of progress reports. At the end of 2023, €129,994 of committed bursaries had not been disbursed. Full provision is made for this amount in the financial statements.

The 5th Validation of Prior Learning Biennale event will take place in May 2024. QQI is providing administrative and payment support to the event. Included in accruals is €68,060 of sponsorship received in respect of the Biennale.

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19. CAPITAL ACCOUNT	As at 31 December 2023	As at 31 December 2022
	€	€
Balance at start of period	245,163	248,425
Grant used to acquire fixed assets.	74,660	117,648
Amount released on disposal of fixed assets'	-	(1,190)
Amortisation in line with asset depreciation	(72,724)	(119,720)
Released to income and expenditure account	(72,724)	(120,910)
Net Movement in Year	1,936	(3,262)
	<u>247,099</u>	<u>245,163</u>

In accordance with accounting policy, Government grants are recognised based on the accruals model. These grants, which are for the purchase of property, plant and equipment are recognised over the useful life of the assets. There are no unfulfilled conditions or contingencies attached to these grants.

20. LEASES

26/27 Denzille Lane

The Authority had commitments payable up to the year 2023 in respect of a 21-year lease for office accommodation at 26 – 27 Denzille Lane, Dublin 2. Rent reviews were carried out every 6 years and the 2023 rent was €367,500 (2022: €367,500) per annum. The lease expired on 31 December 2023. The Authority is currently in negotiations with the landlord to agree a new lease for the accommodation.

25 Denzille Lane

QQI commenced a six-year lease of premises at 25 Denzille Lane, Dublin 2 on 1 September 2022. The rent for 2023 was €50,292. An annual increase of 2.5% applies.

Lower Mount Street

Since its establishment in November 2012, QQI had been renting the Ground Floor at 9–11, Lower Mount Street from the Irish Universities Quality Board (IUQB) and in turn the IUQB were tenants of the Irish Universities Association (IUA). On 5 February 2016, the IUQB was voluntarily struck off the Companies Register and, leading up to the strike off, QQI had been in discussions with the IUA and the lead landlord with a view to transferring the lease to QQI. Legal documents of assignment were signed by QQI and the IUA in 2015. The rent was €81,612 per annum (2022: €81,612). The lease term expired on 30 June 2023

QQI held a licence for the use of the Top Floor of 9-11, Lower Mount Street. The licence fee was €100,460 (2022: €100,460). The lease term expired on 30 June 2023.

At 31 December 2023, QQI had the following future minimum lease payments under non-cancellable operating leases for the of the following periods.

	€
Payable within one year	51,174
Payable within two to five years	195,438
	<u>246,612</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

21. CAPITAL COMMITMENTS

At the end of 2022, QQI committed to funding research bursaries. The bursaries were awarded in January 2023. The total value of the bursaries awarded was €373,663. The first payment was made on 23 February 2023. Payment of the Bursaries is contingent on satisfactory submission of progress reports. At the end of 2023, €129,994 had not been disbursed. Full provision is made for this amount in these financial statements.

22. CORPORATION TAX

The Authority is not liable for corporation tax.

23. RELATED PARTY DISCLOSURES

The Authority adopted procedures in accordance with guidelines issued by the Department of Public Expenditure, National Development Plan Delivery and Reform in relation to the disclosure of interests by Authority members and these procedures have been adhered to. There were no transactions in relation to the Authority's activities in which members had any beneficial interests.

Key management personnel in QQI consist of the Senior Executive and members of the Authority. Authority members do not receive a fee for their service. Total compensation paid to key management personnel and total CEO remuneration, amounted to €979,633 (2022: €982,542).

24. PENSION COSTS

a. DEFINED BENEFIT PENSION SCHEME

The Authority operates a defined benefits scheme which is unfunded. The Authority also operates the Single Public Service Pension Scheme (Single Scheme) which is the defined benefit pension scheme for pensionable public servants appointed on or after 1 January 2013 in accordance with the Public Service Pension (Single Scheme and Other Provisions) Act 2012. The scheme provides for a pension and retirement lump sum based on career-average pensionable remuneration, and spouse's and children's pensions. The minimum pension age is 66 years (rising in line with State pension age changes). It includes an actuarially reduced early retirement facility from age 55. Pensions in payment increase in line with the consumer price index.

The valuation used for disclosures has been based on a full actuarial valuation by a qualified independent actuary in order to assess the scheme liabilities as at 31st December 2023. The financial assumptions used to calculate scheme liabilities are:

	2023	2022
	%	%
Discount rate	3.30%	3.65%
Salary increase assumptions	3.80%	4.15%
Pension increase assumption – Superannuation Scheme	3.30%	3.65%
Pension increase assumption – Single Scheme	2.30%	2.65%
Price inflation	2.30%	2.65%

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b. NET DEFERRED FUNDING FOR PENSIONS IN YEAR

	2023	2022
	€	€
Funding recoverable in respect of current year pension costs	3,112,000	3,055,000
State grant applied to pay pensioners	(1,307,000)	(1,187,000)
	<u>1,805,000</u>	<u>1,868,000</u>

c. ANALYSIS OF TOTAL PENSION COSTS CHARGED TO EXPENDITURE

	2023	2022
	€	€
Current service cost	1,486,000	2,220,000
Interest on Pension Scheme liabilities	1,626,000	835,000
Employee superannuation contributions retained	(291,000)	(293,224)
	<u>2,821,000</u>	<u>2,761,776</u>

d. DEFERRED FUNDING ASSET FOR PENSIONS

The Authority recognises amounts owing from the State for the unfunded deferred liability for pensions based on a number of past events. These events include the statutory backing for the superannuation scheme, and the policy and practice in relation to funding public service pensions including the annual estimates process. While there is no formal agreement and therefore no guarantee regarding these specific amounts with the Department of Education and Science, the Authority has no evidence that this funding policy will not continue to progressively meet this amount in accordance with current practice.

The deferred funding asset for pension as at 31 December 2023 amounted to €45,917,000 (2022: €44,457,000).

e. MOVEMENT IN NET PENSION LIABILITY DURING THE FINANCIAL PERIOD

	As at 31 Dec 2023	As at 31 Dec 2022
	€	€
Net pension liability at 1 January	44,457,000	59,140,000
Current service cost	1,486,000	2,220,000
Interest costs	1,626,000	835,000
Pensions paid in the year	(1,307,000)	(1,187,000)
Net pension liability at 31 December	<u>46,262,000</u>	<u>61,008,000</u>
Transfer of Services from another public service employer	-	-
Actuarial Loss / (Gain)	(345,000)	(16,551,000)
	<u>(345,000)</u>	<u>(16,551,000)</u>
Net pension liability at 31 December	<u>45,917,000</u>	<u>44,457,000</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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f. HISTORY OF EXPERIENCE GAINS AND LOSSES

	2023 €	2022 €
Defined benefit obligations	45,917,000	44,457,000
Experience losses/(gains) on scheme liabilities		
Amount (€)	(373,000)	453,000
Percentage of the present value of scheme liabilities	(0.82%)	1.02%

g. TRANSFER OF SERVICE FROM OTHER PUBLIC SECTOR EMPLOYER

There were no transfers of service from other public service schemes in 2023.

25. REVENUE SETTLEMENT

QQI operated Professional Services Withholding Tax (PSWT) on payments to Panel Members. This treatment was based on legal advice received. Following engagement with the Revenue Commissioners, the Revenue Commissioners determined that payments to Panel Members should be processed under PAYE rules and not PSWT rules. Following the recommendation of the Revenue Commissioners, QQI made a qualifying voluntary disclosure to the Revenue Commissioners on 31 July 2024 backdated to February 2022 as follows:

	Liability €	Interest €	Total €
2022	374,225	74,317	448,542
2023	437,793	48,585	486,378
2024	90,295	3,122	98,417
	902,313	126,024	1,028,337
Credit for PSWT Paid			(290,203)
Credit for VAT on self-supply paid			(52,257)
			685,877

A provision of €573,402 is made for that portion of the settlement relating to period ending 31 December 2023 and prior. QQI is awaiting final acceptance of the settlement proposal from the Revenue Commissioners.

26. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Audit and Risk Committee of Qualifications and Quality Assurance Authority of Ireland at its meeting on 30 January 2024. The Audit and Risk Committee recommended that the financial statements be presented to the members of the Authority for their approval at the Authority's next meeting. The financial statements were approved by the members of the Authority at its meeting on 20 February 2024.