



# Educational Research Centre

*Annual Report 2018*

## Table of Contents

Chairperson’s Introduction .....	3
Chapter 1: About the Educational Research Centre.....	5
ERC staff .....	6
Chapter 2: 2018 Work programme and outputs.....	8
Project activities and outputs 2018 .....	9
Articles .....	15
Books/Monographs/Reports.....	15
Chapter 3: Governance.....	17
Composition of ERC’s governing board .....	17
Governance .....	17
Financial Statement 2018 and related disclosures.....	19
<b>Financial Disclosures</b> .....	20
Appendix 1: Non-exhaustive list of activities consistent with the furtherance of the objects of the Centre Functions of the Centre .....	23
Appendix 2: Financial Statement and Statement on Internal Control .....	24
Appendix 3: Report on Protected Disclosure.....	52

## Chairperson's Introduction

The Educational Research Centre (ERC) has been an important part of our national educational infrastructure since the 1960s. Its establishment in 2015 as a statutory body with its own Board was an acknowledgement of this. The ERC has a dual mission: to provide an assessment support service to schools and centres of education (including the development and provision of standardised tests and other assessment instruments); and to conduct independent research on all aspects of education including research that will inform policy making and the improvement of educational standards (Establishment Order SI No 392 of 2015).

Well-designed and well-executed educational research and evaluation should inform policy and practice in relation to a range of issues, many of them interconnected, including international comparative, national and teacher-led assessment; digital technologies, teaching, learning and assessment; teachers' professional development; the Irish language; educational disadvantage; and special educational needs. Our annual report for 2018 records notable work under all of these headings.

Work this year continued as part of Ireland's participation in the latest cycles of the major comparative international assessment programmes in literacy, mathematics, and science – PISA 2018, TIMSS 2019, and PIRLS 2016 and 2021 as well as the second round of PIAAC. The PISA 2018 main study was implemented successfully (with first national and international results due in December 2019). The TIMSS 2019 field trial was administered in the spring of 2018, followed by preparations for the main survey in Fourth class and Second year, to take place in spring 2019. The ERC continued analysis and reporting on PIRLS 2016 (which examines the reading skills of fourth class students on both paper and computer). The ERC also continued to support the Central Statistics Office (CSO) in the second round of PIAAC in its role as Ireland's international governing board member.

In the area of social inclusion, the evaluation of DEIS included two substantial reports on trends in achievement and retention, and on insights from Home-School-Community Liaison teachers. The ERC submitted the first results of a new resource allocation model for special educational needs to the Department in December 2018. An analysis of school attendance data for primary and post primary schools was also undertaken for TúsIa during 2018.

Regarding digital technologies, the ERC published both baseline and final reports on the Digital Learning Framework trial evaluation in 2018, and progressed plans for a joint Process Data Conference, to take place in May 2019, in collaboration with ETS (Educational Testing Service, USA). After considerable development work since 2016, the ERC progressed to finalise online (as well as paper) standardised tests, manuals and supports in reading, mathematics through Irish for primary schools for provision to schools for the first time in 2019.

The ERC began work on four substantial new projects on behalf of the Department of Education and Skills. These entail a collaboration with NEPS to standardise a suite of literacy

tests at First year level for diagnostic and support services (with fieldwork planned for late 2019); the development of an evaluation framework for teachers' professional development in wellbeing (to involve both a literature review and longitudinal fieldwork); a multi-year evaluation of the Gaeltacht Recognition Scheme; and full national longitudinal evaluation of the Digital Learning Framework. All of these projects were in the early stages of development towards the end of 2018, and all represent important and exciting possibilities for policy and practice.

While the ERC undertakes research on behalf of the Department of Education and Skills and other agencies, its remit allows it to initiate its own research projects. Such research is important for staff development, maintaining a quality research culture within the organisation and enhancing the Centre's reputation as a trusted, independent research institution. Current independent research projects include a longitudinal study of Transition year students, and academic resilience among disadvantaged students. In addition, three members of staff continued their PhD studies with the support of the ERC. These involve the study and analysis of: cognitive processes associated with reading among primary school children; validity issues associated with transitioning from paper to online assessment; and variations in students' assessment outcomes depending on the time of year of the assessment.

This year may be characterised as one of transitions and development. The governance arrangements between the ERC and the Department transitioned from the Curriculum and Assessment Unit to the Central Policy Unit. Dr Peter Archer, acting as CEO and who oversaw the transition of the ERC to statutory body, retired, with Dr Jude Cosgrove taking up this role in September 2018. Transition issues in relation to long-term lease and service arrangements remain to be finalised with DCU and the Department.

A key priority for the Board in 2018 was the establishment of the ERC's strategic plan, and I am pleased to note that work has begun on the plan, involving staff-wide consultations and discussions with the Department. The Board looks forward to the publication of the strategic plan in the first half of 2019. A second priority is the filling of a vacancy which has arisen on the Board, and it is envisaged that this will be achieved during the first quarter of 2019.

I would like to acknowledge the contribution of the staff and my fellow Board members to the work of the Centre during the year. In particular, I wish to express appreciation to Dr Peter Archer, for his leadership and dedication to the ERC throughout the difficult transition period and to wish him well in his retirement; to Dr Jude Cosgrove in her new role in which I wish her every success; to Ms Anne Comey, secretary to the Board, for her efficiency and support; and to all the research and administrative staff of the ERC for their outstanding work and commitment.

Professor Pauric Travers  
Chairperson

## Chapter 1: About the Educational Research Centre

The Educational Research Centre (ERC) was founded in 1966 and became an independent statutory agency of the Department of Education and Skills in September, 2015. As such, the ERC has to comply with a range of requirements, including the development of a strategic plan. A Governing Board for the ERC was established 12 months after it became a statutory body. This coincided with the establishment of the Institute of Education (IoE) in Dublin City University (DCU) which incorporated St Patrick's College, Drumcondra, Mater Dei Institute of Education, Church of Ireland College of Education and the DCU School of Education Studies<sup>1</sup>.

The ERC Governing Board identified the development of a strategic plan as a key component of the new organisation's transition and consolidation as an independent statutory body. Progress has been slow due to complex transition issues involving the ERC, DCU and the Department of Education and Skills; however, work has now begun on the plan, and it is envisaged that the plan will be published in early 2019.

The work of the ERC is guided by the mission and functions set out in its Statutory Instrument<sup>2</sup>. The Establishment Order (SI 392 of 2015) draws a distinction between two objects of the Centre:

- Providing an assessment support service to schools and centres for education
- Conducting independent research, both commissioned and initiated by the Centre itself, on all aspects of education and at all levels of the education system.

Although the Irish language is not explicitly mentioned in the Establishment Order (SI 392 of 2015), the programme of work and strategic planning of the ERC assumes a commitment to Irish language research, evaluation and assessment.

The Establishment Order (Articles 8 and 9) specifies a non-exhaustive list of activities consistent with the furtherance of the objects of the function of the ERC. The breadth of the list is indicative of multiple strands of work and collaboration that need to exist between ERC and various layers of the education system. It includes enabling schools to assess attainment levels and academic standards of students and to report systematically on these; assisting schools to identify individual student's special educational needs; carrying out national and international assessments of educational achievement and securely storing and reporting on these data; engaging in programme evaluations; conducting independently (self-) initiated research; building capacity; serving on national and international advisory bodies; providing consultancy services; and co-operating with other bodies as appropriate.

This report, which is being submitted by the Board of the Centre to the Minister for Education and Skills, in accordance with Section 52 of the Establishment Order and covers the year 2018.

---

<sup>1</sup> In order to maintain continuity in services and relationships between the ERC and DCU including the newly-established Institute of Education, a two-year Transition Agreement (subsequently extended by one year) was drawn up. To protect the interests of ERC staff, a Staffing Agreement was drawn up and agreed by the DES, ERC, (then) St Patrick's College, and Irish Federation of University Teachers.

<sup>2</sup> See [SI 392/2015 Educational Research Centre \(Establishment\) Order 2015](#), and subsequent amendments in [SI 309/2017 Educational Research Centre \(Establishment\) \(Amendment\) Order 2017](#).

## ERC staff

The ERC has an executive team led by the Chief Executive Officer (CEO).

### Executive

Dr Jude Cosgrove (from September 2018)	CEO
Dr Peter Archer (retired September 2018)	CEO
Dr Gerry Shiel	Research Fellow
Dr Susan Weir (retired December 2018)	Research Fellow
Dr Eemer Eivers (Career Break from 01/09/2018)	Research Fellow
Dr Rachel Perkins	Research Fellow
Dr Aidan Clerkin (Acting Up)	Research Fellow
Ms Anne Comey	Senior Administrator

The staff in 2018 was as follows:

### Research Staff

Dr Jude Cosgrove (from September 2018)	CEO
Dr Peter Archer (retired September 2018)	CEO
Dr Gerry Shiel	Research Fellow
Dr Susan Weir	Research Fellow
Dr Eemer Eivers	Research Fellow (Career Break from 01/09/2018)
Dr Mary Lewis	Research Associate
Dr David Millar	Research Associate
Dr Lorraine Gilleece	Research Associate
Dr Aidan Clerkin	Research Associate
Dr Rachel Perkins	Research Associate
Dr Emer Delaney	Research Associate
Ms Rachel Cunningham	Research Associate
Ms Caroline Mc Keown	Research Associate
Ms Lauren Kavanagh	Research Associate
Mr Sean Close	Research Associate
Mr Adrian O'Flaherty	Research Assistant
Ms Eva Moran	Research Assistant
Ms Joanne Kiniry	Research Assistant
Ms Sylvia Denner	Research Assistant
Dr Brenda Donohue	Research Assistant
Ms Emma Chubb	Research Assistant
Ms Sarah McAteer	Research Assistant
Mr Terry O'Brien	Research Assistant (Finished 15 March 2018)
Ms Mary Delaney	Research Assistant
Ms Lynsey O'Keefe	Research Assistant
Ms Katie Gilligan	Research Assistant (Finished 28 August 2018)
Ms Fionnuala Short	Research Assistant
Ms Theresa Walsh	Research Assistant

### IT & Administrative Staff

John Coyle	System Administrator
Mary Rohan	Senior Administrator
Anne Comey	Senior Administrator

Patricia Gaffney  
Blána Kelly  
Paula Chute  
Imelda Pluck  
Eileen Corbett

Higher Executive Officer  
Executive Officer  
Executive Officer  
Executive Office  
Assistant Librarian (retired December 2018)

At December 31, 2018 staff level was 30.75 FTE.

Further information on staff of the ERC is available on our website at [www.erc.ie/about/staff](http://www.erc.ie/about/staff).

## Chapter 2: 2018 Work programme and outputs

A detailed Programme of Work of the ERC is described elsewhere (see <http://www.erc.ie/programme-of-work/>). The ERC is not presently conducting any research, evaluation or assessment at pre-primary or post-secondary levels, although it has done so in the past. However, it currently has a role in the OECD's Programme for the International Assessment of Adult Competencies (PIAAC) as the Irish representative on its International Governing Board.

Activities and work of the ERC can be grouped into seven strands:

1. Oversight, delivery and national reporting of large-scale international assessments<sup>3</sup>
2. Management, oversight and reporting of large-scale national assessments<sup>4</sup>
3. Contributing to policy on, and evaluation relating to, educational disadvantage
4. Test development, standardisation and support (in both paper and online formats)
5. Programme evaluation
6. Data analytic support<sup>5</sup>
7. Independently-initiated research.

A majority of studies undertaken by the ERC are on behalf of the Department of Education and Skills. Other studies are conducted on behalf of agencies of the Department, such as the NCCA or NCSE. The ERC frequently collaborates or works in partnership with other organisations and individuals on studies and also initiates its own strands of independent research.

The rest of this chapter provides a high-level summary of the key outputs in 2018 and the list of publications produced in 2018. More detailed outputs are included in annual Performance Delivery Agreements submitted in January of each year to the Central Policy Unit (CPU) of the Department of Education and Skills (DES).

---

<sup>3</sup> Currently: Progress in International Reading Literacy Study (PIRLS), Programme for International Student Assessment (PISA), and Trends in International Mathematics and Science Study (TIMSS).

<sup>4</sup> Chiefly, National Assessments of Mathematics and English Reading (NAMER).

<sup>5</sup> For example, ongoing analysis of TUSLA's attendance data and analytic input into the DES' resource allocation model for special educational needs.



## Project activities and outputs 2018

Strand	Research Project/Activity (on behalf of)	Background information	Output 2018
(1) International assessments	PISA (The Programme for International Student Assessment) – 2015 (DES)	The Programme for International Student Assessment is a three-yearly assessment of the broad educational achievements of 15-year-olds in English reading, mathematics and science and their preparedness for adult life. It commenced in 2000. Each cycle of PISA focuses on a 'major' achievement domain. Reading was the major focus in 2000 and 2009; mathematics in 2003 and 2012 and science in 2006 and 2015. In addition, PISA also collects detailed contextual information from school principals, students, and, in some countries, including Ireland, parents. The assessment framework for PISA is developed through collaboration with all countries taking part in the study.	Following the publication of the international and national reports of PISA 2015 in December 2016, further analysis of the 2015 data was carried out. Further analysis of the 2015 data took place over 2018, with plans for publication in 2019.
(1) International assessments	PISA (The Programme for International Student Assessment) – 2018 (DES)	See entry for PISA 2015.	Main study fieldwork took place and data submitted to the PISA international contractor. Analysis and reporting on PISA 2018 is scheduled for Q3 and Q4 2019.
(1) International assessments	PISA (The Programme for International Student Assessment) – 2021 (DES)	See entry for PISA 2015.	Planning of the next cycle of PISA began: staff were assigned in Q4 2018 and initial project planning commenced.
(1) International assessments	PISA (Feasibility Study) (DES)	The purpose of this study is to assess the impact of switching testing from spring until the following autumn. This arises from a concern that a move of this kind may be needed to ensure continuation of good response rates.	Fieldwork took place in Q3-Q4 2018. Data processing is planned for Q1-Q2 2019 and analysis and reporting are to follow shortly after the PISA 2018 main study results reporting.

Strand	Research Project/Activity (on behalf of)	Background information	Output 2018
(1) International assessments	PIRLS (Progress in International Reading Literacy Study) (DES)	PIRLS assesses the reading achievement of Fourth-class pupils. First conducted in 2001, PIRLS takes place every five years. Ireland took part in PIRLS for the first time in the 2011 cycle, and participated in the most recent cycle in 2016 with initial results released in 2017. The next cycle of PIRLS takes place in 2021 with a field trial in Spring 2020.	<p>Secondary reporting on PIRLS 2016 included a comparison of paper-based and online reading and an analysis of test content and Irish pupils' test performance.</p> <p>Participation in PIRLS 2021 was confirmed, and planning for the next cycle began: staff were assigned in Q4 2018 and initial planning work began. PIRLS 2021 is likely to be implemented online rather than on paper.</p>
(1) International assessments	TIMSS (Trends in Mathematics and Science Study) – 2015 (DES)	TIMSS is a project of the International Association for the Evaluation of Educational Achievement (IEA). It assesses the mathematics and science achievement of pupils in the Fourth and/or Eighth grades (equivalent to Fourth Class and Second Year in Ireland). First conducted in 1995, TIMSS takes place every four years.	Secondary reporting on TIMSS 2015 continued with the publication of a report on teaching and learning of mathematics and science in Second year.
(1) International assessments	TIMSS (Trends in Mathematics and Science Study) – 2019 (DES)	See entry for TIMSS 2015	Work in 2018 consisted largely of implementing the TIMSS 2019 field trial which was completed successfully in Q1-Q2; the main study sample was selected, and administrative work and instrument preparation commenced for the TIMSS 2019 main study during Q3-Q4.
(2) National assessments	National Assessments of Mathematics and English Reading (NAMER) (DES)	The centre has been involved in implementing and reporting on National Assessments of Achievements since 1972. Since 1999 the assessments of English reading and mathematics have been carried out at five year intervals. The most recent assessments took place in 2014.	Discussions with the DES and stakeholders in 2017 concluded that the next assessment should take place in 2020 rather than 2019 as had previously been planned. It was confirmed with DES in Q4 that NAMER 2020 would include an expanded sample of DEIS urban and rural schools. Test development and other planning work began in Q3 and Q4 2018 for the field trial in Q2 2019.

Strand	Research Project/Activity (on behalf of)	Background information	Output 2018
(3) Policy/evaluation on educational disadvantage	Assessing Levels of Disadvantage in Schools (DES)	The Centre has been involved in assessing levels of educational disadvantage in schools for many years on behalf of the DES in the context of identifying schools to participate in intervention programmes to address disadvantage.	The relevant DES group examining levels of disadvantage was not active during this period.
(3) Policy/evaluation on educational disadvantage	An External Evaluation of DEIS (DES)	Work began in 2007 on an independent evaluation of the SSP (School Support Programme) component of DEIS in primary and post-primary schools. Since then, the evaluation has been monitoring implementation of the programme and assessing its impact on participants.	Two major reports on DEIS were published in 2018, both focused on primary level (one on HSCL co-ordinators and the second examining trends in JCE achievement and retention rates). One article associated was published, describing the play and leisure activities of sixth class pupils in DEIS schools. Due to staffing changes, handover and succession planning began, and work on the development of a new programme of worked based on the DEIS Action Plan commenced.

Strand	Research Project/Activity (on behalf of)	Background information	Output 2018
(4) Test development, standardisation and support	Development of Tests for Primary and Post-Primary Levels (DES)	As well as developing tests for use in research, the Centre has for almost 40 years has been developing tests for sale to schools. This is reflected in the fact that the 2015 Establishment Order specifies that the provision of an assessment support service is one of two objects of the Centre.	<p>Test development work continued in 2018, by finalising reading and mathematics test for first-sixth class pupils and Irish language mathematics tests for these cohorts. The accompanying manuals and scoring programmes were in an advanced stage of development by the end of 2018 for national sale in 2019.</p> <p>Considerable planning work took place in order to manage the sales of the old and new versions of the tests for the 2019-2020 transition period.</p> <p>ERC staff also conducted workshops at which almost 300 primary schools attended, to demonstrate the new tests and answer questions about them.</p>
(4) Test development, standardisation and support	Computer-based Test Development (DES)	For the past three years, the Centre has been working on the development of a computer-based testing platform and of new tests that can be delivered on this platform. The work arises from the need to update and expand the pre-existing battery of paper-based tests, and to address concerns about teacher and student familiarity with test content.	<p>In 2018, online tests of reading and mathematics (in both English and Irish) were finalised (for third to sixth class pupils) in preparation for national sales of the tests in 2019. At the end of 2018, the online testing system's scoring programmes were at an advanced stage of development, and this work was accompanied by several updates to the online assessment platform, support materials, and website.</p> <p>ERC staff also conducted workshops at which almost 300 primary schools attended, to demonstrate the new tests and answer questions about them.</p>

Strand	Research Project/Activity (on behalf of)	Background information	Output 2018
(5) Programme review/evaluation/analysis	Evaluation of the Digital Learning Framework (DLF) Trial (DES)	The Centre was asked by the DES to carry out an evaluation of the DLF which is a key part of the Digital Strategy for Schools 2015-2020. The trial is running in 30 primary and 20 post-primary schools from October 2017 to May 2018.	Baseline and Final reports on the DLF trial evaluation were published in Q2 and Q4, respectively.  Work began on planning for the full national three-year longitudinal evaluation of DLF in collaboration with the ICT Policy Unit of DES.
(5) Programme review/evaluation/analysis	Standardisation of NEPS PPAD-E assessment (DES)	NEPS has developed a suite of five tests to assess children's literacy skills. The ERC is working in collaboration with NEPS to standardise the tests and produce materials that will enable teachers to administer these tests for diagnostic and support purposes.	Initial discussions resulted in a draft Terms of Reference and workplan, with fieldwork likely to take place in 80 schools (First year) in Q4 2019.
(5) Programme review/evaluation/analysis	CPD Wellbeing Framework Evaluation (DES)	The Teacher Education Section has asked the ERC to oversee the development of a framework for CPD, using wellbeing as an exemplar.	Initial discussions resulted in a draft Terms of Reference and workplan. A comprehensive literature review will inform the study. This will be followed by fieldwork in a representative sample of schools to take place over the three-year life cycle of the project.
(5) Programme review/evaluation/analysis	Gaeltacht School Recognition Scheme Evaluation (DES)	The ERC is evaluating this scheme on behalf of DES within a longitudinal mixed-methods design.	Initial discussions resulted in a draft Terms of Reference and a workplan, with testing to be carried out on lower and upper primary as well as post-primary schools, within a longitudinal design spanning about three years which includes focus group and surveys.
(6) Data analytic support	Development of a Resource Allocation Model for Special Education Needs (DES)	A National Council for Special Education (NCSE) Working Group published a proposal in June 2014 to improve how schools are resourced to support students with special educational needs. The Centre carried out the analysis that resulted in the production of a new model.	The Centre continued to participate in, and provide support to, a special needs resource allocation steering committee. Work also involved running the model that allocates special educational needs teaching resources: a first run of this model was submitted to DES in Q4 2018.

Strand	Research Project/Activity (on behalf of)	Background information	Output 2018
(6) Data analytic support	Analysis of School Attendance Data in Primary and Post-Primary Schools (TUSLA)	Data on non-attendance in primary and post-primary schools are collected by the Child and Family Agency through the Annual Attendance Report (AAR). The Centre has been involved in analysing non-attendance data for several years.	The report based on the AAR data (2016/17) was sent to Tusla in Q4.
(7) Independent research	Researching Transition Year (Independent)	The Centre (as a PhD undertaken by one of its staff) has been carrying out a longitudinal study of psychosocial development in adolescence with particular regard to participation in Transition Year. Participating students took part in 2011, 2012 and 2013.	A number of papers have been published (see list of publications in next section).
(7) Independent research	Student resilience (Independent)	The Centre (as a PhD undertaken by one of its staff and awarded in Q1 2018) has been examining student resilience via secondary analyses of the Growing Up in Ireland datasets.	In Q3, a paper on cultural capital and academic resilience was presented at the ECER conference.
(7) Independent research	Process Data Conference (Independent)	The ERC and ETS (Educational Testing Service, USA) are working collaboratively on a conference that examines the potential and limitations of using process (log-file) data from large-scale online assessments such as PISA.	A planning meeting/symposium was held in ETS offices in Washington DC in Q4 2018. This planning will enable the identification of conference themes and invited presenters and the further planning of a data workshop to follow the conference, which takes place in Dublin in May 2019.
(7) Independent research	Ongoing PhD studies (Independent)	The ERC has a tradition of supporting post-graduate studies in educational research.	Three PhD studies progressed throughout 2018: <ul style="list-style-type: none"> <li>• An examination of the validity of PISA with transition to computer-based assessment (commenced Q4 2015)</li> <li>• Student performance in PISA at different times of the year (commenced Q4 2017)</li> <li>• The cognitive basis of reading comprehension in primary school children (commenced Q1 2017).</li> </ul>

## Publications 2018

Many of these publications are available for download at <http://www.erc.ie/2017/05/16/publications-2018/>.

### Articles

- Clerkin, A. (2018). Can Ireland's experience with Transition Year provide lessons for other countries? *TY Update (Summer 2018)*.
- Clerkin, A. (2018). Filling in the gaps: A theoretical grounding for an education programme for adolescent socioemotional and vocational development in Ireland. *Review of Education, 6*, 146-179. [[link to PDF](#)]
- Clerkin, A. (2018). Context and Implications Document for: Filling in the gaps: A theoretical grounding for an education programme for adolescent socioemotional and vocational development in Ireland. *Review of Education 6*, 180-182. [[link to PDF](#)]
- Clerkin, A. (2018). Thinking about Transition Year at a time of systemic change. *TY Update (Spring 2018)*.
- Clerkin, A. (2018). What do we know about Transition Year? Looking to the future. (Senior Cycle Review discussion paper). Dublin: NCCA. [[Download](#)]
- Clerkin, A. (2018). Who participates? Predicting student self-selection into a developmental year in secondary education. *Educational Psychology, 38 (9)*, 1083-1105. DOI: [10.1080/01443410.2018.1504004](https://doi.org/10.1080/01443410.2018.1504004) [[link to PDF](#)]
- Clerkin, A. & Gilligan, K. (2018). Pre-school numeracy play as a predictor of children's attitudes towards mathematics at age 10. *Journal of Early Childhood Research, 16*, 319-334. [[link](#)]
- Gilleece, L. & Eivers, E. (2018). Primary school websites in Ireland: are they used to inform and involve parents. *Irish Educational Studies*. [[link](#)]
- Gilleece, L. & Eivers, E. (2018). Characteristics associated with paper-based and online reading in Ireland: Findings from PIRLS and ePIRLS 2016. *International Journal of Educational Research, 91*, 16-27. [[link](#)]
- John Jerrim, John Micklewright, Jorg-Henrik Heine, Christine Salzer & Caroline McKeown (2018) PISA 2015: how big is the 'mode effect' and what has been done about it?, *Oxford Review of Education, 44:4*, 476-493. [[Link](#)]
- Kavanagh, L. & Weir, S. (2018). The play and pastimes of Sixth class children in urban DEIS primary schools. *Children's Research Digest (August 2018)*. [[link](#)]
- O'Flaherty, A. (2018). New Drumcondra Primary tests in paper and online formats – 'time to join the DOTS!' *Leadership+ 106*, p.19.
- Shiel, G., & Kennedy, E. (2018). Literacy policy and performance on PIRLS 2016 in the Republic of Ireland. In M. M. Clark (Ed.), *Teaching initial literacy: Policies, evidence and ideology* (pp. 38-46). Birmingham: Glendale Education.
- Weir, S. & Kavanagh, L. (2018). Achievement in the Junior Certificate Examination: Trends over time in DEIS and non-DEIS schools. In B. Mooney (Ed.). *Ireland's yearbook of education, 2018-2019* (pp. 240-243). Dublin: Education Matters.

### Books/Monographs/Reports

- Clerkin, A., Perkins, R. & Chubb, E. (2018). *Inside the post-primary classroom: Mathematics and science in Second Year*. Dublin: Educational Research Centre. [DOWNLOAD](#)

- Cosgrove, J., Duggan, A., Shiel, G., & Leahy, M. (2018b, October). *Digital Learning Framework trial evaluation: Final report*. Dublin: Educational Research Centre. [DOWNLOAD](#)
- Cosgrove, J., Ní Chobhthaigh, S., Shiel, G., & Leahy, M. (2018a, May). *Digital Learning Framework trial evaluation: Baseline report*. Dublin: Educational Research Centre. [DOWNLOAD](#)
- Eivers, E., & Delaney, M. (2018). *PIRLS and ePIRLS 2016: Test content and Irish pupils' performance*. Dublin: Educational Research Centre. [DOWNLOAD](#)
- Kavanagh, L. & Weir, S. (2018). *The evaluation of DEIS: The lives and learning of urban primary school pupils, 2007-2016*. Dublin: Educational Research Centre. [DOWNLOAD](#)
- Weir, S. & Kavanagh, L. (2018). *The evaluation of DEIS at post-primary level: Closing the achievement and attainment gaps*. Report to the Department of Education and Skills. Dublin: Educational Research Centre. [DOWNLOAD](#)
- Weir, S., Kavanagh, L., Moran, E. & Ryan, A. (2018). *Partnership in DEIS schools: A survey of Home-School-Community Liaison Coordinators in primary and post-primary schools in Ireland*. Report to the Department of Education and Skills. Dublin: Educational Research Centre. [DOWNLOAD](#)



## Chapter 3: Governance

### Composition of ERC's governing board

The ERC has a Board of 5 members appointed by the Minister.

#### Board

Chairperson	Dr Pauric Travers
Deputy Chairperson	Dr Denise Burns
Board member	Dr Michael Martin
Board Member	Dr Jude Cosgrove (Resigned 31/08/2018)
Board Member	Mr Edward Murtagh

*(Information relating to attendance at ERC meetings and expenses paid to the Board are listed further on).*

### Governance

The Board has continued its implementation of the Code of Practice for the Governance of State Bodies (COP) 2016 and reports regularly to its parent Department, the Department of Education and Skills (DES). The ERC will be reviewing its agreement with the DES regarding its level of compliance with the COP in 2019 (document issued by the DES listing any exemptions or phasing in of certain requirements).

The ERC progresses its work through its Board and its Audit and Risk Committee (ARC).

The Board holds office for a term of five years, completing its first term in 2021. Following her appointment as CEO, one of the members resigned from the Board on 31 August 2019. The DES is working with the Public Appointment Service for the appointment of a new member.

A focus for the Board in 2018 has been the recruitment and appointment of the new CEO, which took place in September 2018. Throughout the year, the Board looked at various processes and policies, including Protected Disclosure, Anti-Fraud Policy, a number of Health and Safety related documents and policies, Child Protection Policy, Social Media Usage and Twitter Policies, the ERC's Customer Charter as well as the ERC's newly-developed risk register. It also reviewed the ARC terms of reference in 2018 also and confirmed that no changes were needed.

It was noted that the Terms of reference of the Board did not refer to conflicts of interest or related party transactions (as these were included in the Code of Conduct for Board members and employees) and the Terms of Reference for the Board will be revised accordingly in Q1 2019.

The Board delegates operational responsibility for the day-to-day running of the ERC to the Chief Executive Officer and the ERC's executive team.

The Board receives regular reports from the ERC's management team and keeps itself up to date about strategic issues and changes affecting the ERC and the environment in which it operates.

The Board advises and supports the Chairperson, Chief Executive Officer and management. Board members look to satisfy themselves that financial controls and systems of risk management are robust and defensible.

The following are matters for decision by the Board:

- significant acquisitions, disposals and retirement of assets of the ERC
- major investments and capital projects
- delegated authority levels, treasury policy and risk management policies
- approval of terms of major contracts
- assurances of compliance with statutory and administrative requirements in relation to the approval of the appointment, number, grading, and conditions of all staff, including remuneration and superannuation
- approval of annual budgets and corporate plans
- approval of annual reports and financial statements
- appointment, remuneration and assessment of the performance of, and succession planning for the CEO; and
- significant amendments to the pension benefits of the CEO and staff.

Attendance at Board meeting by Board members in 2018 was as follows:

- Dr Pauric Travers: 7/7
- Dr Denise Burns: 6/7
- Mr Michael Martin: 6/7
- Ms Jude Cosgrove: 4/4 (Resigned in August 2018 and was not included in 3<sup>rd</sup> meeting as it related to discussions on the appointment of the CEO)
- Mr Edward Murtagh: 6/7

Meetings are attended by the CEO and Senior Administrator who is Secretary to the Board. Other staff join meetings as appropriate. However, the Board meets at least twice a year without staff member present to discuss any matters deemed relevant. Board members are also in regular contacts between meetings when required.

Minutes from Board meetings are available for consultation on the ERC website ([www.erc.ie](http://www.erc.ie)). Any commercially sensitive information and personal matters are removed from the ERC's Board minutes before publishing.

The Board is authorised to seek the information it requires from the ERC in order to perform its duties. It is authorised to obtain, at the ERC's expense, outside legal and other professional advice where Board Members judge it necessary to discharge their responsibilities.

The Board endeavours to keep the Minister for Education and Skills informed of matters arising within the ERC.

Since its inception in May 2017 with Mr Edward Murtagh as Chairperson, the Audit and Risk Committee (ARC) has been reviewing systems of internal control, external and internal audit, risk management and financial control.

The ARC is required to brief the authority at least four times a year. The ARC met 4 times in 2018.

The Committee's membership comprises of all members of the Board. The ARC has been looking to appoint an additional member with financial expertise in 2018 to help the ARC in making recommendation to the Board in relation to financial matters. Following the recruitment exercise for a new Board member the ARC has decided to wait on the result of the competition to see whether financial expertise may be availed of through this exercise. Should this not be the case the ARC will be

looking for an external candidate with financial expertise, possibly through an external consultant to fill in the role.

Attendance for 2018 to ARC meetings is as follows:

- Mr Edward Murtagh: 5/5
- Ms Denise Burns 4/5
- Dr Pauric Travers: 5/5
- Dr Jude Cosgrove: 3/3 (Resigned in August 2018 and was not included in 3<sup>rd</sup> meeting as it related to discussions on the appointment of the CEO)
- Prof Michael Martin: 2/5

The ERC has continued putting in place procedures and processes which allow for improved internal control and risk assessments. A risk register was issued for review in 2018 and work to mitigate these risks is ongoing. The ERC, based on C&AG review as well as external auditor review, worked on accounting policies throughout 2018 and a set of policies were approved by the Governing Board, following review by the ARC, in Q1 2019.

Extensive work on Data Protection has also been reviewed by the ARC and approved by the Board.

The transition agreement with St Patrick's College (and subsequently DCU) expired in September 2018 and the ERC is working with the DES to put in place a long term agreement with DCU to cover items such as maintenance and pensions to name but a few. The changeover of reporting arrangements from CAP (Curriculum and Assessment Policy) to CPU (Central Policy Unit) has contributed to delays in the matter.

### Financial Statement 2018 and related disclosures

The financial position of the ERC is as disclosed in our 2017 annual accounts, audited by the Comptroller and Auditor General in September 2018. The accounts were drafted by:

HSM Ashbourne  
Chartered Accountants  
2A Ashbourne Court  
Ashbourne  
Co. Meath  
Ireland

and audited by

Comptroller and Auditor General  
3A Mayor St Upper  
Dublin 1,  
D01PF72

With the exception of its first accounting period, the ERC's accounting years follow calendar years.

The ERC issued draft unaudited accounts to its parent department, the Department of Education and Skills in Q1 2018 before audits from both Mazars and the Comptroller and Auditors General.

No significant post-balance sheet events are anticipated.

The ERC will publish on its website its annual report no later than one month following completion of the audit of its financial statements by the Comptroller and Auditor General.

The ERC can confirm that it complies with:

- Its obligations under tax law (the ERC has been in regular contact with Revenue during this period of transition)
- The relevant aspects of the Public Spending Code
- The Government travel policy.

The Board has worked towards putting in place the required processes to ensure an effective system of internal control. Where processes and policies have not yet been updated to fit the ERC's specific requirements it should be understood that the policies relevant to St Patrick's College and the ERC prior to September 2015 are to be used to fulfil this purpose.

## Financial Disclosures

(All figures quoted below are included in a number of headings on the financial statements.)

Although the ERC is not a commercial entity, its test department has a commercial side to it. No commercially significant developments affected the ERC in 2017.

### 1. DETAILS OF EXPENDITURES ON EXTERNAL CONSULTANCY/ADVISER FEES

Legal fees	36,090.00
Accountancy	30,238.00
Professional Fees (Graphic Design)	44,840.68
Consultancy (IT Audit & Actuarial)	12,171.00
<b>Total:</b>	<b>123,339.68</b>

### 2. DETAILS OF PAY BILLS

Government pay guidelines on the pay of the CEO and ERC employees are complied with.  
Overall payroll costs for 2018: €1,988,960

ERC Staff : €1,722,419 (Inclusive of €43,000 pension adjustment)  
ERC Casual staff for project work: €266,541

Details of the number of employees whose total employee benefits (excluding employer pension costs) for the reporting period fell within each pay band of €10,000 from €60,000 upwards

PAY BAND	Total number of employees whose benefits for the 12 months fell within the pay band
60,001 - 70,000	4
70,001 - 80,000	2
80,001 - 90,000	1
90,000 - 100,000	-
100,001 - 110,000	-
110,001 - 120,000	-
120,001 - 130,000	-

Pension contributions were made for staff members of the Single Pensions schemes. For the 12 month-period the total is €23,303.09 and covers 17 members of staff. All contributions were made to the Department of Public Expenditure and Reform.

Staff members of the St Patrick's College Pensions scheme were deducted pensions contributions. However contributions are not included in the pay budget and the money is not paid into a specific fund. Dublin City University is responsible for the payment of pensions (including payment of lump sums) for the duration of the transition agreement.

### 3. DETAILS OF COMPENSATION TO KEY MANAGEMENT

- No member of the Board received Board fees.
- Dr Jude Cosgrove has received payment of €19,379 and vouched expenses of €783 for her work on a project of the ERC. This payment is entirely separate from her work as ERC Governing Board member.
- Prof Michael Martin who is residing in the USA attends Board meetings by Skype where possible but received €850 in travel and accommodation to attend CEO interviews
- Mr Edward Murtagh received payment of €3,348 and vouched expenses of €2,994 for his work on a project of the ERC. This payment is entirely separate from his work as ERC Governing Board member.
- Salaries and short term employee benefits: Nil.
- The CEO remuneration package was as follows: Total CEO remuneration amounted to €134,318 (2017: €99,368). The outgoing CEO who finished on 14 September 2018 received payment of €76,789, while the incoming CEO who started on 01 September 2018 received payment of €57,529.
- The outgoing CEO received payment of €1,417 (2017: €3,558) for vouched expenses relating to national and international travel. The incoming CEO received payment of €3,321 for vouched expenses relating to national and international travel and was reimbursed for a medical bill of €35 charged to her in error.
- Research Fellows and Senior Administrator received a total payment of € 6,162.60 for vouched expenses in relation to National and International travels and various project and office related expenditures. This figure is included in the travel and subsistence expenses quoted below.
- Post-employment benefits:
  - No pensions lump sums were issued for ERC staff in 2018 and pension monthly payments were carried out by DCU.
  - No added years were granted for pension purposes nor was there a case of retirement without normal actuarial reductions.

### 4. TRAVEL AND SUBSISTENCE

#### Project related:

National travel:	€ 50,578.05
International travel:	€ 27,975.15

#### Non-project related:

National:	€ ,156.95
International:	€ 11,438.34

Total: € 90,148.49

### 5. HOSPITALITY

Total hospitality expenditure for 12 months: € 1,838.58

Includes:

- Catering for ERC events and staff training related costs: € 370.33
- Meeting catering: € 1,468.25

## 6. ICT

### Project related:

Hardware:	€ 66,281.45 (includes depreciation)
Online programme:	€ 136,993.59
Survey Administration and Technical Support:	€ 171,207.35

### Non project related:

Hardware:	€ 239.85 (€2,040.92 capitalised)
Software:	€ 20,473.39
Maintenance:	€ 22,053.56
Other:	€ 1,945.52

## 7. PUBLICATIONS

### Irish Journal of Education:

IJE/Publication Sales:	€ 428.00
JStor Online Journal Sales:	€ 3,398.72
Total publications sales:	€ 3,826.72
Printing Costs IJE:	€ 391.00

### Book and journal purchases:

Books expenditure:	€ 1,213.70
Journal expenditure:	€ 29,768.48

The ERC's Financial Statement inclusive of the C&AG report and the Statement on Internal Control for 2018 is available in Appendix 2.

The ERC Report on Protected Disclosure is in Appendix 3.

## Appendix 1: Non-exhaustive list of activities consistent with the furtherance of the objects of the Centre Functions of the Centre

1. Enabling schools to assess the attainment levels and academic standards of students as required under Section 9(k) of the Education Act, 1998
2. Enabling schools to report systematically on the attainment levels and academic standards of students to parents, students, boards of management, the Minister for Education and Skills and others
3. Assisting schools to identify the special educational needs of individual students
4. Providing advice to schools and centres for education on the assessment of the attainment levels and academic standards of students
5. Carrying out national and international assessments of the attainment levels and academic achievement of students and reporting on such assessments to the Minister
6. Maintaining, storing securely and publishing information on the attainment levels and academic standards of students in schools and centres for education in Ireland
7. Engaging in the evaluation of educational programmes and activities
8. Initiating and conducting research consistent with the objects of the Centre, and publishing and disseminating the findings of this research
9. Building capacity for educational assessment and research in Ireland by making provision for the professional development of staff of the Centre and by providing to others training in, and advice on, areas of its competence
10. Serving on national and international bodies of relevance to the Centre
11. Co-operating with other bodies, as appropriate, in research, assessment and evaluation studies and in the dissemination of findings concerning research, assessment and evaluation
12. Providing consultancy services
13. Co-operating with other bodies, as appropriate

## Appendix 2: Financial Statement and Statement on Internal Control

**EDUCATIONAL RESEARCH CENTRE**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31**  
**DECEMBER 2018**



**EDUCATIONAL RESEARCH CENTRE**  
**CONTENTS**

	<b>Page</b>
Board Members and Other Information	3
Board Members' Responsibilities	4
Governance Statement and Board Members' Report	5
Statement on Internal Financial Control	9
Report of the Comptroller and Auditor General	12
Statement of Income and Expenditure	15
Statement of Comprehensive Income	16
Statement of Financial Position	17
Statement of Cash Flows	18
Notes to the Financial Statements	19 - 28

## **EDUCATIONAL RESEARCH CENTRE**

### **BOARD MEMBERS AND OTHER INFORMATION**

#### **Board Members**

Dr Pauric Travers  
Dr Denise Burns  
Dr Jude Cosgrove (resigned 31/8/2018)  
Prof Michael Martin  
Mr Edward Murtagh

#### **Business Address**

DCU, St Patrick's College Campus  
Drumcondra  
Dublin 9, D09AN2F

#### **Auditors**

Comptroller and Auditor General  
3A Mayor St Upper  
Dublin 1, D01PF72

#### **Bankers**

Allied Irish Banks PLC  
140 Lr. Drumcondra Road  
Dublin 9

#### **Solicitors**

Eversheds  
1 Earlsfort Centre  
Earlsfort Terrace  
Dublin 2

O Connell Brennan  
Armitage House  
10 Lr Hatch St  
Dublin 2

O' Mara Geraghty McCourt  
51 Northumberland Road  
Dublin 4

## EDUCATIONAL RESEARCH CENTRE

### BOARD MEMBERS' RESPONSIBILITIES

for the year ended 31 December 2018


Section 45 of the Educational Research Centre (Establishment) Order 2015 requires the Educational Research Centre to keep, proper accounts of all income and expenditure of the Centre, and of the sources of such income and the subject matter of such expenditure, and of the property, credits and liabilities of the Centre.

In preparing these financial statements, the Educational Research Centre is required to:

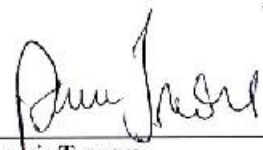
- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Centre will continue in business, and
- state whether applicable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

The Board is responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time, its financial position which enables it to ensure that the financial statements comply with Section 45 of the Educational Research Centre (Establishment) Order 2015 and are prepared in accordance with accounting standards generally accepted in Ireland. The Board is also responsible for safeguarding its assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the board

  
\_\_\_\_\_  
Dr Jude Cosgrove  
CEO

Date: 5/07/2019

  
\_\_\_\_\_  
Dr Paupric Travers  
Chairman

Date: 5 July 2019

## **EDUCATIONAL RESEARCH CENTRE**

### **GOVERNANCE STATEMENT AND BOARD MEMBERS' REPORT**

for the year ended 31 December 2018

#### **Governance**

The Board of the Educational Research Centre was established under the Educational Research Centre (Establishment) Order, 2015. The functions of The Board are set out in Section 45 of this Act. The Board is accountable to the Minister for Education and Skills and is responsible for ensuring good governance and performs this task by setting strategic objectives and targets and taking strategic decisions on all key business issues. The regular day-to-day management, control and direction of the Educational Research Centre are the responsibility of the CEO and the senior management team. The CEO and the senior management team must follow the broad strategic direction set by the Board, and must ensure that all members of the Board 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 Board and management of the Educational Research Centre.

#### **Responsibilities of the Board**

The work and responsibilities of the Board are set out in its Terms of Reference which also contain the matters specifically reserved for decisions of the Board. Standing items considered by the Board include:

- governance matters including internal policies,
- delegated authority levels and risk management policies,
- finance / accounts including approval of annual budgets and corporate plans,
- appointment, remuneration and assessment of the performance of, and succession planning for, the CEO,
- reports from Audit and Risk Committees and internal audits,
- staffing, and
- declaration of interests.

Section 45 of the Educational Research Centre Order, 2015 requires the Board to keep, in such form as may be approved by the Minister for Education and Skills with consent of the Minister for Public Expenditure and Reform, all proper and usual accounts of all money received and expended by it.

In preparing these financial statements, The Board is required to:

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the 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 Board 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 47 of the Educational Research Centre Order, 2015.

The Board is responsible for approving the annual plan and budget. An evaluation of the performance of the entity (actual performance against plan/budget required by the Code of Practice para. 1.19) by reference to the annual plan and budget was carried out on 06 March 2019 by the Audit and Risk Committee who reported findings to the Board.

The Board is also responsible for safeguarding its assets and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

The Board considers that the financial statements of the Educational Research Centre give a true and fair view of the financial performance and the financial position of the entity at 31 December 2018.

#### **The Board Structure**

The Board consists of a Chairperson, and four ordinary members, all of whom are appointed by the Minister for Education and Skills. The members of the Board were appointed for a period of five years and meet at least six times per year. The table on the next page details the appointment period for current members:

## EDUCATIONAL RESEARCH CENTRE

### GOVERNANCE STATEMENT AND BOARD MEMBERS' REPORT (CONTINUED) for the year ended 31 December 2018

#### The Board Structure (Continued)

Board Member	Role	Date appointed	
Dr Pauric Travers	Chairperson	05/07/2016	
Dr Denise Burns	Deputy Chairperson	05/07/2016	
Dr Jude Cosgrove	Ordinary Member	05/07/2016	Resigned 31/08/2018
Prof Michael Martin	Ordinary Member	05/07/2016	
Mr Edward Murtagh	Ordinary Member	05/07/2016	

The Board commenced an external Board Effectiveness and Evaluation Review in December 2018 which was completed on 13 February 2019.

The Board has established one committee, as follows:

**1. Audit and Risk Committee (ARC):** comprises five members of the Board and no independent member. The role of the ARC is to support the Board in relation to its responsibilities for issues of risk, control and governance and associated assurance. The ARC 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 ARC reports directly to the Board after each meeting. Formal annual written reporting, to the Board, for the previous year, will be implemented for 2020.

The members of the Audit and Risk Committee are: Mr Edward Murtagh (Chairperson), Dr Denise Burns, Prof Michael Martin, Dr Jude Cosgrove (resigned 31/08/2018) and Dr Pauric Travers. There were five meetings of the ARC in 2018.

#### Schedule of Attendance, Fees and Expenses

The Board Members do not receive a fee. A schedule of attendance at the Board and Committee meetings for 2018 is set out below including the expenses received by each member:

	The Board	ARC	Expenses 2018
			€
<b>Number of Meetings</b>	7	5	
Dr Pauric Travers	7	5	-
Mr Edward Murtagh <sup>1</sup>	6	4	-
Dr Denise Burns	6	4	-
Dr Jude Cosgrove <sup>2</sup>	4	3	-
Prof Michael Martin	6	2	783

#### Key Personnel Changes

Peter Archer, CEO of the ERC, retired on 14 September 2018. Jude Cosgrove was appointed as his successor on 01 September 2018 to allow for a short handover period.

Jude Cosgrove resigned as Board and Audit and Risk Committee Member with effect from 31 August 2018.

<sup>1</sup> Mr Edward Murtagh received payment of €3,348 and vouched expenses of €2,994 for his work on a project of the ERC. This payment is entirely separate from his work as ERC Governing Board member.

<sup>2</sup> Dr Jude Cosgrove has received payment of €19,379 and vouched expenses of €783 for her work on a project of the ERC. This payment is entirely separate from her work as ERC Governing Board member.

## EDUCATIONAL RESEARCH CENTRE

### GOVERNANCE STATEMENT AND BOARD MEMBERS' REPORT (CONTINUED)

for the year ended 31 December 2018

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

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

<i>Consultancy Costs – See Note 7</i>	<i>€</i>
Legal fees	36,090.00
Accountancy	30,238.00
Professional Fees	44,840.68
Consultancy (IT Audit & Actuarial)	12,171.00
<b>Total:</b>	<b>123,339.68</b>

#### *Legal Costs and Settlements*

This does not include expenditure incurred in relation to general legal advice received by the ERC which is disclosed in Consultancy costs above.

There were no cumulative legal costs incurred in 2018 including legal fees and compensation costs in relation to any court cases or compensations.

#### *Travel and Subsistence Expenditure*

Travel and subsistence expenditure is categorised as follows:

	<b>2018</b>	<b>2017</b>
	<b>€000</b>	<b>€000</b>
Domestic		
- Board	3,777	665
- Employees <sup>3</sup>	47,518	17,470
International		
- Board	850	-
- Employees	38,563	26,570
<b>Total</b>	<b>93,374</b>	<b>44,704</b>

**EDUCATIONAL RESEARCH CENTRE**

**GOVERNANCE STATEMENT AND BOARD MEMBERS' REPORT (CONTINUED)**  
for the year ended 31 December 2018


**Hospitality Expenditure**

The Income and Expenditure Account includes the following hospitality expenditure<sup>4</sup>:

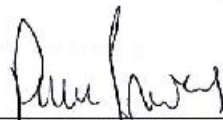
	2018	2017
	€000	€000
Staff hospitality	370	977
Client hospitality	1,468	1,499
<b>Total</b>	<b>1,838</b>	<b>2,476</b>

**Statement of Compliance**

The Board has adopted the Code of Practice for the Governance of State Bodies (2016) and has put procedures in place to ensure compliance with the Code. The ERC has been working towards full compliance since its inception in October 2015. Work continues on matters such as internal audits, risk management, IT and HR policies. The Board has also noted the need for a member of the Audit and Risk Committee with Financial Expertise and who is not also a member of the Board and is working towards a suitable appointment. Discussions on the long term replacement to the transition agreement between the ERC and DCU are ongoing with the DES and will cover items such as payroll and pensions.

  
\_\_\_\_\_  
Dr. Jude Cosgrove  
CEO

Date: 5/07/2019

  
\_\_\_\_\_  
Dr Paulie Travers  
Chairman

Date: 5 July 2019

<sup>4</sup> Reconciliation 2018:  
Staff Entertainment €370, - Included in General Expenses €3,589  
Meeting Catering €371 - Included in General Expenses €3,589  
Project Meeting Catering €1,097 - Included in Project Travel & Subsistence €81,220

## EDUCATIONAL RESEARCH CENTRE

### STATEMENT ON INTERNAL FINANCIAL CONTROL (CONTINUED)

for the year ended 31 December 2018

#### Scope of Responsibility

On behalf of the Educational Research Centre I acknowledge the Board's responsibility for ensuring that an effective system of internal control is maintained and operated. This responsibility takes account of the requirements of the Code of Practice for the Governance of State Bodies (2016).

#### Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a tolerable level rather than to eliminate it. The system can therefore only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded and that material errors or irregularities are either prevented or detected in a timely way.

The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform has been in place in the ERC for the year ended 31 December 2018 and up to the date of approval of the financial statements except for the internal control issues outlined below.

#### Capacity to Handle Risk

The ERC has an Audit and Risk Committee (ARC) comprising of five Board members, one of whom is the Chair, and has no external members with financial and audit expertise. One member resigned on 31 August 2018 and a replacement is currently being addressed by the Office of the Commission for Public Service Appointments. The ARC met five times in 2018.

The Audit and Risk Committee operates within the principles of the Code of Practice for the Governance of State Bodies and oversees the ERC's internal audit function.

Since its implementation, the ARC has been working towards:

- ensuring risk assessment processes are put in place within the organisation to identify the nature, extent and financial implications of risks facing the ERC,
- assessing the likelihood of identified risks occurring,
- assessing the ERC's ability to manage and mitigate the risks that do occur, and
- working towards implementing a strategic plan which will be followed by regular reviews of both short and long term goals and an evaluation of the risks to bringing those plans to fruition.<sup>5</sup>

In 2018, the Audit and Risk Committee examined internal audits relevant to Health and Safety, IT and the findings of the Comptroller & Auditor General (C&AG) audits for the financial year 2016. An internal audit of financial controls was also carried out in November 2018 and the Audit and Risk Committee reviewed the findings at its meeting on 06 March 2019, together with the findings of the C&AG management letter relating to 2017 accounts.

Following the recommendation of external auditors, a suite of accounting policies was issued to the Audit and Risk Committee and the Board for review. It documents the ERC's accounting and financial processes and was approved on 13 February 2019.

The various audits, as well as regular project status reports, have served to populate the risk register for the organisation and define the programme of work for the coming year. This has helped put in place appropriate corrective actions and determine the programme of audits to be carried out for 2019.

The ERC has a Terms of Reference for the Board as well as a Code of Conduct for Board members and employees which sets out the agreed standards of principles and practice in relation to confidentiality and conflicts of interest. The Board reviewed the Terms of Reference of the Audit and Risk Committee in November 2018 and confirmed that no changes were required at this time.

The Protected Disclosure Policy was adopted on 17 January 2018 and the anti-fraud policy on 13 November 2018. The protected disclosure report for 2018 is available on the ERC website.

In light of the General Data Protection Regulation which came into effect in May 2018, the ERC has reviewed its internal practices in relation to data gathering and has worked to put in place an appropriate framework to ensure it complies with the

---

<sup>5</sup> Following the appointment of a new CEO, the strategic plan was issued at the end of Q1 2019



## EDUCATIONAL RESEARCH CENTRE

### STATEMENT ON INTERNAL FINANCIAL CONTROL (CONTINUED)

for the year ended 31 December 2018

Data Protection Acts. As part of this framework, the ERC has put in place or reviewed existing systems and controls to restrict access to confidential data, and record the steps taken to ensure the protection of personal data. A suite of policies and forms relevant to data protection requirements are available on the ERC website. Should the ERC become aware of actual or potential breaches to confidential data, these will be fully investigated and where necessary reported to the appropriate authorities.

#### Risk and Control Framework

The ERC has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks.

The ERC's risk register was completed in December 2018 and reviewed by the ARC on 06 March 2019. This is reviewed and managed by the CEO and the Audit and Risk Committee, who in turn inform the Board of concerns or developments.

The risk register details the controls and actions needed to mitigate risks and responsibility for operation of controls assigned to specific staff. I confirm that a control environment containing the following elements is in place:

- procedures for all key business financial and processes have been documented, documentation of Governance and HR processes are in progress,
- financial responsibilities have been assigned at management level with corresponding accountability,
- there is an appropriate budgeting system with an annual budget which is kept under review by senior management,
- there are systems aimed at ensuring the security of the information and communication technology systems, and
- there are systems in place to safeguard the assets.

#### Ongoing Monitoring and Review

Formal procedures have been established for monitoring control processes. Control deficiencies are communicated to those responsible for taking corrective action, and to management and the Board, where relevant, in a timely way. I 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 senior management of periodic and annual performance and financial reports which indicate performance against budgets/forecasts.

#### Procurement

The ERC adheres to relevant public procurement policies and where issues have been identified, work is being carried out to rectify them. The ERC, following work with the Office of Government Procurement, rectified a procurement legacy issue relating to printing requirements and has a framework in place since July 2018. The ERC has drafted a procurement plan for the period 2019-2021 which was reviewed at the first ARC and Board meetings of 2019 and incorporated in the relevant programs of work. The aims of the plan are to set a purchasing/procurement strategy relevant to ERC requirements over the stated period of time with regular reviews of its implementation and effectiveness.

#### Review of Effectiveness

The Board continues to develop its structure in line with the Code of Practice for the Governance of State Bodies 2016 and is working towards full implementation. It is expected that following formal implementation of its internal audit structure and gap analysis conducted by its parent department, it will be in a position to fully adopt the code in 2019.

I confirm that the ERC has implemented procedures to monitor the effectiveness of its risk management and control procedures. An internal audit review has also been programmed for 2020. The ERC's monitoring and review of the

## EDUCATIONAL RESEARCH CENTRE

### STATEMENT ON INTERNAL FINANCIAL CONTROL (CONTINUED)

for the year ended 31 December 2018

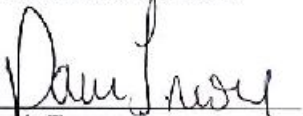
effectiveness of the system of internal financial control is informed by the work of the internal and external auditors, the Audit and Risk Committee which oversees their work, and the senior management within the ERC responsible for the development and maintenance of the internal financial control framework.

The Audit and Risk Committee reviewed the findings of the financial internal controls audit carried out in November 2018 as well as the findings from the C&AG audit of the 2017 Financial Statements (signed off in December 2018). The Committee reviewed reports issued by the internal auditors. It identified and monitored the implementation of work towards corrective measures for any deficiencies or weaknesses identified and this was then incorporated into the governance action plan which is the main driver for remediation works for corporate governance failings.

The Chair of the ARC reported to the Board the findings of the internal audit of internal financial controls in place at year end 2018, on 06 March 2019. It recommended that an audit of payroll should be carried out, once the current uncertainties relating to payroll and pensions are resolved.

On behalf of the Board of the ERC, I, the undersigned Chairman of the Board, confirm that, in respect of the year ended 31 December 2018, the Board, following recommendations from the Audit and Risk Committee, have conducted a review of the effectiveness of the system of internal control.

Signed on behalf of the Board:



**Dr Paulie Travers**  
**Chairman**

Date: 5 July 2019



## **Ard Reachtaire Cuntas agus Ciste** **Comptroller and Auditor General**

### **Report for presentation to the Houses of the Oireachtas** **Educational Research Centre**

#### **Opinion on the financial statements**

I have audited the financial statements of the Educational Research Centre for the year ending 31 December 2018 as required under the provisions of the Educational Research Centre (Establishment) Order 2015. The financial statements comprise

- the statement of income and expenditure
- 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 Educational Research Centre at 31 December 2018 and of its income and expenditure for 2018 in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

#### ***Emphasis of matter – deferred pension funding asset***

Without qualifying my opinion on the financial statements, I draw attention to Note 12 Pension Costs — Defined Benefit.

The recognition of a deferred pension funding asset of €294,000 in respect of the Single Public Service Pension Scheme reflects statutory provisions relating to the funding of that scheme.

The recognition of an asset of €7.747 million in respect of the Colleges of Education Pension Scheme anticipates that funding will be provided by the State to meet pension liabilities as they fall due. Inherent in this accounting treatment is an assumption that any income generated by the Centre will in the first instance be applied towards current expenses and that State funding will meet any shortfall in resources required to meet future pension liabilities.

#### ***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 Educational Research Centre 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.

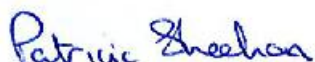
## **Report of the C&AG (continued)**

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

The Educational Research Centre has presented certain other information together with the financial statements. This comprises the statement of Board members' responsibilities, the governance statement and Board members' report and the statement on internal financial 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.

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 regard to those matters.



**Patricia Sheehan**  
**For and on behalf of**  
**Comptroller and Auditor General**

**10 July 2019**

## Appendix to the report

### Responsibilities of Board members

The Board members are responsible for

- the preparation of financial statements in the form prescribed under Article 45 of the Educational Research Centre (Establishment) Order 2015
- ensuring that the financial statements give a true and fair view in accordance with FRS102
- 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 Article 48 of the Educational Research Centre (Establishment) Order 2015 to audit the financial statements of the Educational Research Centre 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 Educational Research Centre'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 Educational Research Centre 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.

### 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 bodies in receipt of substantial funding from the State 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.

**EDUCATIONAL RESEARCH CENTRE**


**STATEMENT OF INCOME AND EXPENDITURE**


for the year ended 31 December 2018

	Notes	2018 €	2017 €
<b>Income</b>			
Project Income	6	778,614	719,670
Department of Education grant	5	2,101,341	1,347,108
DEIS funding		64,425	68,586
Tusla funding		-	15,500
Secondment		-	54,527
Test Department Sales		699,809	719,375
Publication sales		3,827	2,344
Other operating income		26,811	21,834
Net deferred funding for pensions	12.1	439,000	411,000
		<u>4,113,827</u>	<u>3,359,944</u>
<b>Expenditure</b>			
Staff costs	10	1,988,960	1,788,527
Other operating expenses	7	1,339,811	1,197,576
Retirement benefit costs	12	392,000	360,000
Depreciation	13	10,148	8,344
		<u>3,730,919</u>	<u>3,354,447</u>
<b>Total Comprehensive Income relating to the year</b>		<b>382,908</b>	<b>5,497</b>
Income and expenditure account brought forward		<u>(167,411)</u>	<u>(172,908)</u>
<b>Income and expenditure account carried forward</b>		<b>215,497</b>	<b>(167,411)</b>

Educational Research Centre has no recognised gains or losses other than those reported in the Statement of Income and Expenditure and the Statement of Comprehensive Income. The results for the year have been calculated on the historical cost basis. Educational Research Centre's income and expenses all relate to continuing operations.

Approved by the board on 5/07/2019 and signed on its behalf by:

  
 Dr Jude Cosgrove  
 CEO

  
 Dr Pauric Travers  
 Chairman  
5 July 2019

## EDUCATIONAL RESEARCH CENTRE

### STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2018

	Notes	2018 €	2017 €
Total comprehensive income relating to the year		382,908	5,497
Actuarial (loss) on retirement benefit obligations	12.1	(2,063,000)	(134,000)
Adjustment to deferred retirement benefits funding	12.1	2,063,000	134,000
<b>Total comprehensive income in the year</b>		<b>382,908</b>	<b>5,497</b>

**EDUCATIONAL RESEARCH CENTRE**


**STATEMENT OF FINANCIAL POSITION**

as at 31 December 2018

	Notes	2018 €	2017 €
<b>Non-Current Assets</b>			
Property, plant and equipment	13	56,066	30,563
<b>Current Assets</b>			
Stocks	14	71,218	73,628
Receivables	15	249,773	307,049
Cash and cash equivalents	20	757,554	254,455
		1,078,545	635,132
<b>Payables: Amounts falling due within one year</b>	16	(165,840)	(79,832)
<b>Net Current Assets</b>		912,705	555,300
<b>Total Assets less Current Liabilities</b>		968,771	585,863
<b>Deferred funding asset for Pensions – Unfunded Scheme</b>	12.1	8,041,000	5,539,000
<b>Pension Liabilities – Unfunded Scheme</b>	12.1	(8,041,000)	(5,539,000)
<b>Net Assets</b>		968,771	585,863
<b>Reserves</b>			
Income and expenditure account		215,497	(167,411)
Transfer into statutory body		753,274	753,274
		968,771	585,863

Approved by the board on 5/07/2019 and signed on its behalf by:

  
 \_\_\_\_\_  
 Dr Jude Cosgrove  
 CEO

  
 \_\_\_\_\_  
 Dr Paulette Travers  
 Chairman  
 5 July 2019



**EDUCATIONAL RESEARCH CENTRE****STATEMENT OF CASH FLOWS**

for the year ended 31 December 2018

	Notes	2018 €	2017 €
<b>Cash flows from operating activities</b>			
Total income/(expense) for the year		382,908	5,497
Adjustments for:			
Depreciation		10,148	8,344
		<u>393,056</u>	<u>13,841</u>
Movements in working capital:			
Movement in stocks		2,410	93
Movement in receivables		57,276	(145,723)
Movement in payables		86,008	21,079
		<u>538,750</u>	<u>(110,710)</u>
<b>Cash flows from investing activities</b>			
Payments to acquire property, plant and equipment		(30,651)	(21,013)
Payments to acquire investments		(5,000)	-
		<u>503,099</u>	<u>(131,723)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>503,099</b>	<b>(131,723)</b>
<b>Cash and cash equivalents at beginning of financial year</b>		<b>254,455</b>	<b>386,178</b>
<b>Cash and cash equivalents at end of financial year</b>	20	<b><u>757,554</u></b>	<b><u>254,455</u></b>

## EDUCATIONAL RESEARCH CENTRE

### NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2018

#### 1. GENERAL INFORMATION

The Educational Research Centre is a Public Body and was established by statutory instrument, Educational Research Centre (Establishment) Order 2015 as amended by the Educational Research Centre (Establishment) (Amendment) Order 2017. At the year end the Centre has four members who are appointed by government.

#### 2. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Educational Research Centre financial statements.

##### Statement of compliance

The financial statements of the Educational Research Centre for the year ended 31 December 2018 have been prepared on the going concern basis and in accordance with generally accepted accounting principles in Ireland and Irish statute and in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) issued by the Financial Reporting Council, as promulgated by Chartered Accountants Ireland.

##### Income

Income comprises of the invoice value of goods supplied by the Educational Research Centre, exclusive of any trade discounts. Income from project income is equivalent to the sum of the related expenditure incurred during the year.

##### Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention except instances of properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below if in existence. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The financial reporting framework that has been applied in their preparation is the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council and promulgated by Chartered Accountants Ireland.

##### Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of property, plant and equipment, less their estimated residual value, over their expected useful lives as follows:

Fixtures, fittings and equipment	- 15% Straight line
Computer equipment	- 25% Straight line
Artwork	- 0% Straight line

The carrying values of tangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

##### Financial assets

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value. Income from other investments together with any related withholding tax is recognised in the income and expenditure account in the year in which it is receivable.

##### Government grants

Capital grants received and receivable are treated as deferred income and amortised to the Income and Expenditure Statement annually over the useful economic life of the asset to which it relates. Revenue grants are credited to the Income and Expenditure Statement when received. If Revenue grants are not spent on their intended purpose within a financial year then they are deferred until such time as they are.

##### Stocks

Stocks are valued at the lower of cost and net realisable value. Stocks are determined on a weighted average cost basis. Cost comprises expenditure incurred in the normal course of business in bringing stocks to their present location and condition. Full provision is made for obsolete and slow moving items. Net realisable value comprises actual or estimated selling price (net of trade discounts) less all further costs to completion or to be incurred in marketing and selling.

##### Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

## EDUCATIONAL RESEARCH CENTRE

### NOTES TO THE FINANCIAL STATEMENTS

continued

for the year ended 31 December 2018

#### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the Statement of Financial Position bank overdrafts are shown within payables.

#### Trade and other payables

Trade and other payables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

#### Taxation

Educational Research Centre is a Statutory Body. It does not trade for gain and therefore is exempt from Corporation Tax.

#### Pensions

The Centre has certain defined benefit retirement arrangements as detailed in note 12.

Defined benefit pension scheme liabilities are measured on an actuarial basis using the projected unit method. The defined benefit pension charge to the Statement of Income and Expenditure comprises the current service cost and past service costs, and interest cost arising on the measurement of the pension liability at net present value. An amount corresponding to the pension charge is recognised as income to the extent that it is expected to be recoverable and offset by grants received in the year to discharge pension payments. Actuarial gains and losses arising from changes in actuarial assumptions and from experience surpluses and deficits are recognised in the Statement of Comprehensive Income for the year in which they occur.

Pension costs reflect pension benefits earned by employees, and are shown net of staff pension contributions which are remitted to the Department of Public Expenditure and Reform in the case of the Single Pension Scheme and retained by the Department of Education and Skills in the case of the College Pension Scheme. 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 Education and Skills.

Amounts charged are calculated using the following rates:

Current service costs	-	Discount rate at the start of the year
Interest cost	-	Discount rate at the start of the year
Expected return on assets	-	Expected rate of return at the start of the year

#### Receivable Asset

*Colleges of Education Pension Scheme and Colleges of Education Spouses' and Children's Scheme*

The College recognises as an asset, an amount corresponding to the unfunded deferred liability for pensions on the basis of 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 Skills, the Centre has no evidence that this funding policy will not continue to progressively meet this amount in accordance with current practice.

#### *Single Public Service Pension Scheme ("SPSPS")*

The Single Scheme 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. ERC is a relevant Authority under the scheme.

**EDUCATIONAL RESEARCH CENTRE**

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2018**

continued

**Significant accounting judgements and key sources of estimation uncertainty**

In the preparation of the financial statements, management has made judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. Actual results may differ from these estimates. Estimates and judgments are reviewed on an ongoing basis. The estimates, assumptions and judgements that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the financial statements within the next financial year are addressed below:

**Holidays earned but not taken and other employee benefits provision**

This is calculated in respect of holidays earned but not taken at the balance sheet date of 31 December 2018 that is attributed across the whole population of employees.

**Property, Plant and Equipment**

Depreciation charge is calculated based on estimates and assumptions on asset useful economic lives and expected residual value.

## EDUCATIONAL RESEARCH CENTRE

### NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2018

continued

#### 3. GOING CONCERN

The members are aware that the entity is effectively funded by way of income from the Department of Education and Skills. The financial statements have been prepared on a going concern basis, the validity of which depends upon the continued availability of these funds.

In this regard the entity has considered that confirmation of funding for 2019. However the entity has not received confirmation of continued financial support from the Department and is unlikely to do so due to the nature of the budgeting process. The Department of Education and Skills undertake this annual process close to the year end and therefore the budget for 2020 and beyond has not yet been agreed upon. Historically the entity has had no issue in securing continued financing.

Having considered the foregoing the directors believe it is appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from a failure to achieve the projected financial surplus or if the bank or Department of Education and Skills could no longer provide financial support.

#### 4. INCOME

The whole of the Educational Research Centre's income is attributable to its market in the Republic of Ireland and is derived from the principal activity of the evaluation of educational provision, analysis of issues in education, analysis of public exam results and national assessments of educational achievement.

#### 5. GRANTS RECEIVED

A grant of €2,876,556 (2017: €2,064,000) was received from the Department of Education and Skills. This includes a grant of €1,951,556 (2017: €1,239,000) for pay related costs and €925,000 (2017: €825,000) to cover non pay related costs. Of the total grants received €775,215 (2017: €716,892) is included in project income and €2,101,341 (2017: €1,347,108) is included in the Department of Education grant.

#### 6. PROJECT INCOME

	2018	2017
	€	€
Delivering Equality of Opportunity in Schools (DEIS)	3,399	2,778
Programme for International Student Assessment (PISA)	293,127	178,954
Trends in International Mathematics and Science Study (TIMSS)	157,182	124,908
Progress in International Reading Literacy Study (PIRLS)	94,944	92,539
Test Standardisation	100,543	124,872
National assessments	11	-
CBT	126,018	195,619
DLF	3,390	-
	<b>778,614</b>	<b>719,670</b>

The income for the DEIS project is not part of Curriculum and Assessment Unit funding (note 5) but is invoiced to the Social Inclusion Unit of the Department of Education and Skills.

## EDUCATIONAL RESEARCH CENTRE

### NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2018

continued

#### 7. OTHER OPERATING EXPENSES

The other operating expenses for the year are as follows:-	Notes	2018 €	2017 €
Project expenditure (see note below)	8	775,451	716,505
Printing, postage and stationery		250,016	259,808
Opening stock		73,628	73,721
Closing stock		(71,218)	(73,628)
Staff recruitment and training		28,353	24,633
Rent payable		7,600	7,998
Rates		202	1,106
Insurance		13,330	11,999
Light and heat		20,892	17,569
Cleaning		1,825	2,221
Repairs and maintenance		5,841	12,110
Telephone		7,264	8,109
Computer costs		45,452	40,949
Conference costs		3,424	2,309
Travelling and subsistence		8,732	6,002
Maintenance contracts		31,444	32,501
Legal and professional		36,090	9,566
Consultancy fees		57,012	5,843
Audit and accountancy		30,238	24,451
Meeting room hire and catering		371	1,980
Bank charges		2,367	1,854
Profit/loss on exchange		111	30
General expenses		3,589	6,224
Waste management and refuse		3,797	3,716
Penalties and fines		4,000	-
		<u>1,339,811</u>	<u>1,197,576</u>

Note: Project expenditure of €775,451 (2017: €716,505) does not include depreciation on project assets of €3,163 (2017: €3,165) as this is shown separately under depreciation. See note 13 for further detail.

#### 8. PROJECT EXPENDITURE

	Notes	2018 €	2017 €
Project hardware/software		194,257	269,703
Travel		81,220	36,394
Printing, postage and stationery		93,378	83,516
Survey, administration and technical support		171,207	40,321
Membership		220,389	200,586
Consultancy		15,000	85,985
		<u>775,451</u>	<u>716,505</u>
Depreciation – Project assets	13	3,163	3,165
		<u>778,614</u>	<u>719,670</u>

**EDUCATIONAL RESEARCH CENTRE**

**NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 31 December 2018

continued

**9. OPERATING DEFICIT**

	2018	2017
	€	€
<b>Operating deficit is stated after charging:</b>		
Depreciation of property, plant and equipment	10,148	8,344
Deficit on foreign currencies	111	30
Auditors remuneration – comprised as follows:-		
- Comptroller & Auditor General	15,000	15,000
- Mazars	409	5,450
	<u>15,409</u>	<u>20,480</u>

**10. EMPLOYEES AND REMUNERATION**

**Number of employees**

The average number of persons employed (including executive Board Members) during the year was as follows:

	2018	2017
	Number	Number
Staff	<u>48</u>	<u>39</u>

**The staff costs comprise:**

	2018	2017
	€	€
Wages and salaries	<u>1,988,960</u>	<u>1,788,527</u>

All pensions are paid by DCU.

The pension contributions for the Colleges of Education Pension Scheme are deducted from salaries. The pension deductions are removed from the salary funding received from the Department of Education and Skills. ERC receive funding from the Department of Education and Skills equal to the employee contributions of the Single Public Service Pension Scheme members.

Educational Research Centre has accrued €26,662 (2017: €22,482) in relation to holiday pay for 2018.

Details of the number of employees whose total employee benefits (excluding employer pension costs) for the reporting year fell within each pay band of €10,000 from €60,000 upwards are;

Payband	Total number of employees whose benefits for the year fell within the pay band
60,000-70,000	4
70,001-80,000	2
80,001-90,000	1

## EDUCATIONAL RESEARCH CENTRE

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2018

continued

#### 11. BOARD MEMBERS' EMOLUMENTS

No Board members received Board fees during the year. Prof Michael Martin received vouched expenses of €850 (2017: €Nil) for travel and accommodation. Dr Jude Cosgrove received payment of €19,379 (2017: €12,132) and vouched expenses of €783 (2017: €671) for her work on a project of the ERC. This payment is entirely separate from her work as an ERC Governing Board member. Mr Edward Murtagh received payment of €3,348 (2017: €Nil) and vouched expenses of €2,994 (2017: €Nil) for his work on a project of the ERC. This payment is entirely separate from his work as an ERC Governing Board member.

Total CEO remuneration amounted to €134,318 (2017: €99,368). The outgoing CEO who finished on 14 September 2018 received payment of €76,789, while the incoming CEO who started on 01 September 2018 received payment of €57,529. The outgoing CEO received payment of €1,417 (2017: €3,558) for vouched expenses relating to national and international travel. The incoming CEO received payment of €3,321 for vouched expenses relating to national and international travel.

During 2018, seven Board meetings were held.

#### 12. PENSION COSTS - DEFINED BENEFIT

ERC has two defined benefit schemes; Colleges of Education Pension Scheme and Colleges of Education Spouses' and Children's Scheme and the Single Public Service Pension Scheme ("SPSPS"). DCU (and prior to its integration as part of DCU, St Patrick's College) makes payments on behalf of ERC to the Centre's beneficiaries relating to the two defined benefit superannuation schemes on behalf of the Department of Education and Skills.

The first scheme the Colleges of Education Pension Scheme and Colleges of Education Spouses' and Children's Scheme is a defined benefit pension scheme which is funded annually on a pay as you go basis from monies available to it, including monies provided by the Department of Education and Skills through the Higher Education Authority and from contributions deducted from staff salaries. These contributions deducted are also removed from grants allocated by the Department of Education and Skills. The benefits at retirement include an annual pension and lump sum equivalent to the sum of the referable amounts in respect of each calendar year or part thereof and are based on final salary. The spouse benefits include a lump sum of twice the Pensionable Remuneration and 50% of the member's pension for death in service or 50% of the member's pension for death in deferment and death after retirement.

The second scheme the Single Public Service Pension ("Single Scheme") 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.

Pension costs reflect pension benefits earned by employees in the year and are shown net of staff pension contributions which are remitted to the Department of Public Expenditure and Reform for members of the Single Scheme and retained by the Department of Education and Skills in the case of the College Pension Scheme. 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 from changes in actuarial assumption and from experience surpluses and deficits are recognised in the Statement of Comprehensive Income for the year in which they occur and a corresponding adjustment is recognised in the amount recoverable from the Department of Education and Skills.

Pension liabilities represent the present value of future pension payments earned by staff to date. Deferred pension funding represents the corresponding asset to be recovered in future periods from the Department of Education and Skills.

The latest full actuarial valuation of the Scheme for accounting purposes was carried out with effect from 31 December 2018 by an independent qualified actuary. The major assumptions used by the actuary are as follows:

	2018	2017
Rate of increase in salaries	2.6%	2.6%
Pension increases in payment	2.6%	1.6%
Discount rate	1.9%	1.9%
Inflation assumptions	1.6%	1.6%
Pension increases in deferment	2.6%	1.6%



## EDUCATIONAL RESEARCH CENTRE

### NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2018

continued

#### 12. PENSION COSTS - DEFINED BENEFIT CONTINUED

Investigations have been carried out within the past three years into the mortality experience of the Centre's major schemes. These investigations concluded that the current mortality conclusions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement at age 65 are:

Retiring today	<b>2018</b>	2017
Males aged 65 at balance sheet date	<b>21.5</b>	21.2
Females aged 65 at balance sheet date	<b>23.9</b>	23.7
Retiring in 20 years		
Males aged 65 in 20 years' time	<b>23.9</b>	23.7
Females aged 65 in 20 years' time	<b>26.0</b>	25.8

#### 12.1. PENSION COSTS - DEFINED BENEFIT CONTINUED

##### Analysis of the amount charged to Income Statement

	<b>2018</b>	2017
	€	€
Current service cost	<b>344,000</b>	323,000
Net interest expense	<b>111,000</b>	97,000
Total operating charge	<b>455,000</b>	420,000
Contributions from employees	<b>(63,000)</b>	(60,000)
Charge to Income Statement	<b>392,000</b>	360,000

##### Analysis of movement in scheme during the year

At start of year	<b>(5,539,000)</b>	(4,994,000)
Movement in year:		
Current service costs (net of employee contributions)	<b>(281,000)</b>	(263,000)
Benefits paid	<b>16,000</b>	9,000
Contributions from employees	<b>(63,000)</b>	(60,000)
Actuarial (losses)	<b>(2,063,000)</b>	(134,000)
Net interest / (credit)	<b>(111,000)</b>	(97,000)
At end of year – Present value of scheme liabilities	<b>(8,041,000)</b>	(5,539,000)
Pension asset in the balance sheet	<b>8,041,000</b>	(5,539,000)

The deferred funding asset for retirement benefits at 31 December 2018 amounts to €8.041m (2017: €5.539m). €7.747m (2017: €5.379m) of the asset relates to the Colleges of Education Scheme and €0.294m (2017: €0.160m) relates to the Single Pension Scheme.

##### Deferred funding for retirement benefits

The net deferred funding for retirement benefits recognised in the Statement of Income and Expenditure and Retained Revenue Reserves was as follows:

	<b>2018</b>	2017
	€'000	€'000
Funding recoverable in respect of current year retirement benefit costs	<b>455</b>	420
Benefits paid	<b>(16)</b>	(9)

## EDUCATIONAL RESEARCH CENTRE

### NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2018

continued

#### 12.1. PENSION COSTS - DEFINED BENEFIT CONTINUED

##### History of Deferred Benefit Obligations

	2018 €'000	2017 €'000	2016 €'000
Deferred benefit obligations	8,041	5,539	4,994
Experience gains/(losses) on scheme liabilities amount	(2,063)	(134)	(931)
Percentage of scheme liabilities	25.65%	2.42%	18.64%

The valuation used for FRS102 disclosures has been based on an actuarial valuation at 31 December 2018 by a qualified actuary taking account of the requirements of FRS102 in order to assess the scheme liabilities at 31 December 2018.

Single scheme members are included in the pension liability at 31 December 2018, the actuarial calculation took into account the differing entitlements that apply to the scheme.

#### 13. PROPERTY, PLANT AND EQUIPMENT

	Fixtures, fittings and equipment	Computer equipment	Artwork	Total
	€	€	€	€
<b>Cost</b>				
At 1 January 2018	19,064	25,275	-	44,339
Additions	18,693	11,958	5,000	30,651
At 31 December 2018	<u>37,757</u>	<u>37,233</u>	<u>5,000</u>	<u>74,990</u>
<b>Depreciation</b>				
At 1 January 2018	5,330	8,446	-	13,776
Charge for the year	3,495	6,653	-	10,148
At 31 December 2018	<u>8,825</u>	<u>15,099</u>	<u>-</u>	<u>23,924</u>
<b>Net book value</b>				
<b>At 31 December 2018</b>	<u><u>28,932</u></u>	<u><u>22,134</u></u>	<u><u>5,000</u></u>	<u><u>51,066</u></u>
At 31 December 2017	<u>13,734</u>	<u>16,829</u>	<u>-</u>	<u>30,563</u>

The building occupied by the Educational Research Centre is owned by DCU. ERC have permitted use of the building at no cost. A transition agreement between both parties expired in September 2018 and it is planned to put these arrangements on a formal footing.

The Test Department building in Richmond Road is currently held in trust by the St. Laurence O'Toole Trust. ERC have had discussions with the Department of Education & Skills, DCU and the St Lawrence O'Toole trust to formally transfer the building to ERC. It is expected that the ownership will be transferred to the entity as the building can only be used for the purpose of the Educational Research Centre.

Included in the depreciation charge for the year is €3,163 (2017: €3,165) for depreciation on project assets.

Artwork relates to paintings which were left to the Centre as part of an inheritance. They are currently not depreciated as their residual value is considered to be the same as the current cost they are held at.

**EDUCATIONAL RESEARCH CENTRE**

**NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 31 December 2018

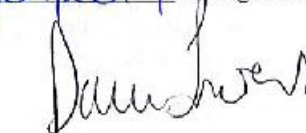
continued

<b>14.</b>	<b>STOCKS</b>	<b>2018</b>	<b>2017</b>
		€	€
	Finished goods and goods for resale	<u>71,218</u>	<u>73,628</u>
	The replacement cost of stock did not differ significantly from the figures shown.		
<b>15.</b>	<b>RECEIVABLES</b>	<b>2018</b>	<b>2017</b>
		€	€
	Trade receivables	17,363	23,350
	Other receivables	3,121	1,577
	Prepayments and accrued income	<u>229,289</u>	<u>282,122</u>
		<u>249,773</u>	<u>307,049</u>
<b>16.</b>	<b>PAYABLES</b>	<b>2018</b>	<b>2017</b>
	<b>Amounts falling due within one year</b>	€	€
	Trade payables	745	12,493
	PAYE/PRSI	862	-
	Accruals	<u>164,233</u>	<u>67,339</u>
		<u>165,840</u>	<u>79,832</u>
<b>17.</b>	<b>CAPITAL COMMITMENTS</b>		
	The entity had no material capital commitments at the year-ended 31 December 2018.		
<b>18.</b>	<b>RELATED PARTY TRANSACTIONS</b>		
	Key management personnel in Educational Research Centre consists of the CEO. Total CEO remuneration amounted to €134,318 (2017: €99,368). The outgoing CEO who finished on 14 September 2018 received payment of €76,789, while the incoming CEO who started on 01 September 2018 received payment of €57,529. At the year end the former CEO owed the Centre €1,172 for VHI membership. This is included in trade debtors at the year end.		
<b>19.</b>	<b>EVENTS AFTER END OF REPORTING PERIOD</b>		
	There have been no significant events affecting the entity since the year-end.		
<b>20.</b>	<b>CASH AND CASH EQUIVALENTS</b>	<b>2018</b>	<b>2017</b>
		€	€
	Cash and bank balances	<u>757,554</u>	<u>254,455</u>

**21. APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved by the board on 5/07/2019 and signed on its behalf by:

  
**Dr Jude Cosgrove**  
 CEO

  
**Dr Haurie Travers**  
 Chairman

## Appendix 3: Report on Protected Disclosure

The ERC adopted its own policy on protected disclosures on 25 January 2018 in accordance with section 21 (1) of the Protected Disclosure Act 2014 and the requirement of the Code of Practice for the Governance of State Bodies (2016).

Section 22 of the Protected Disclosure Act, 2014 requires that an annual report be published in relation to protected disclosures received by the ERC.

No such disclosures were received in 2018 and both a copy of the ERC policy and the 2018 annual report on protected disclosure are available on the ERC website <http://www.erc.ie>.