



**Minutes of the Finance Committee Meeting of 19 February 2014**

**PRESENT:** Provost (in the Chair), Vice-Provost/Chief Academic Officer, Bursar, Dean of AHSS, Registrar, Prof. R. Gilligan, President of the Students Union, Mr. J. Gorringer, Ms. Caroline Curtis, Chief Financial Officer (CFO) – Secretary of the Committee.

**IN ATTENDANCE:** FSD Project Manager

**APOLOGIES** Interim COO

The minutes of the Finance Committee meeting of 18 December 2013 were approved.

The Committee noted the circulated Status Report on the Finance Committee Action List as at November 2013 and the updated position on certain open actions as outlined by the CFO. Further to the Committee's review, updated action points are minuted separately below (minutes FN/13-14/61 - FN/13-14/64 refer).

**Section A**

**FN/13 - 14/60 House Purchase Loan Scheme**  
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The Committee considered the circulated memorandum from the Financial Resources Manager dated 05.02.2014 outlining a proposal in relation to the College's House Purchase Loan Scheme, including the background to the Scheme and current financial risks

Having considered the cost to the College in operating such a scheme, along with the financial and other risks as set out, the Committee agreed that there will be no change to the current scheme as it is a means of attracting and incentivising staff, in particular junior academic staff in such a competitive international market. In this context, the Committee requested that the House Purchase Loan Scheme should be incorporated in the review of the recruitment process as part of the START Program.

**Action**

**60.1** The House Purchase Loan Scheme to be incorporated into the review of the recruitment process as part of the START Program.

**Section B**

**FN/13 - 14/61 Sustainability Symposium**  
(Minute FN/12-13/23.4 of 8.11.2012 refers)

The Committee considered the update from the Provost and the CFO in relation to a Higher Education Sustainability Symposium to be co-ordinated by the IUA later in the year.

**FN/13 - 14/62 Financial Services Division (FSD) Risk Assessment**  
(Minute FN/13-14/38.2 of 18.12.2013 refers)

The CFO advised the Committee that, since the last meeting, he had met the relevant Heads of School in order to progress the repayment of the College's investment in a specific capital project however there had been limited progress. The Committee agreed that, in the context of the commitments previously made, the Heads of School should be advised that these commitments must now be honoured. The Committee instructed the CFO to deduct the repayments at source, either from School reserves and/or as part of the ABC process over a reasonable period (to be determined by the CFO depending on each School's ability to repay), commencing in 2013/14.

**Action:**

**62.1** Repayment of the College's investment in specific capital project to be deducted at source, either from School reserves and/or as part of the ABC process, over a reasonable period (to be determined by the CFO depending on each School's ability to repay), commencing in 2013/14.

**FN/13 – 14/63 Centre for Research on Adaptive Nanostructures and Nanodevices (CRANN)**  
(Minute FN/13-14/48.1 of 18.12.2013 refers)

The Committee, noting the update given by the CFO following his recent engagement with the Dean of Research to explore the additional funding requirements identified by CRANN in its most recent report, agreed that any funding proposal should come forward in accordance with existing processes.

**FN/13 - 14/64 Trinity Biomedical Sciences Institute (TBSI)**  
(Minute FN/12-13/49.1 of 18.12.2013 refers)

The CFO updated the Committee on his recent interaction with the Dean of Research in relation to funding and space needs arising in TBSI. The Committee agreed that any proposal from TBSI in relation to space and funding should come forward in accordance with existing processes.

**FN/13 - 14/65 Trinity Business and Innovation Hub – Project Appraisal & Funding Strategy**  
**XX** Mr. Barry Keogh, KMS, attended for this item

The Committee, having been circulated with a memorandum from the Bursar, dated 12.02.2014, considered the accompanying proposal for the establishment of the Trinity Business and Innovation Hub. In considering the detailed information presented by the Bursar, the CFO and Mr. Barry Keogh, the Committee noted the project summary, scope, option analysis overview and investment appraisal, including the business case for expanding the School of Business. Furthermore, the Committee noted the funding strategy for the project, its proposed structure along with a high level risk register, in particular the critical risk around the capacity of the College to ensure the growth of the Business School, which should in turn support the project's funding strategy.

Following a detailed discussion of the business case and subject to it being re-shaped to reflect the observations/comments of the Committee regarding the inclusion of gross/net building areas and the accommodation profile, the proposal was recommended for onward consideration and approval by Board.

**Action**

**65.1** The Committee recommended the proposal for the Trinity Business and Innovation Hub for onward consideration and approval by Board, subject to a re-shaping of the supporting documentation to reflect the observations/comments made.

**FN/13 - 14/66 The Lir (National Academy of Dramatic Art at Trinity College)**  
(Minute FN/09-10/5.1 of 04.11.2009 refers)

The Director of the Lir attended for this item (apologies were received from the Chair of the Lir Board, Mr. Dermot McCrumm)

The Committee welcomed the circulated memorandum dated 11.12.2013 from the Director of the Lir, which set out a status report on the Academy under the following headings:

- Background & Company Structure
- Original Financial Arrangements
- Revised Budgets
- Current Position
- Governance
- Current Risks

- Achievements to Date
- Outlook
- Facilities Expansion

The Committee, noting the satisfactory financial position of the Academy compared to the original forecasts and wishing them continued success, invited the Director of the Lir to provide an annual financial update in Hilary Term going forward.

**Action**

**66.1** The Director of the Lir to provide an annual financial update in Hilary Term going forward.

**FN/13 - 14/67 2013/14 Financial Update**

The Financial Resources Manager attended for this item

In considering the circulated memorandum from the Financial Resources Manager and Senior ABC/FECP Accountant dated 12.02.2014, and the accompanying schedules on actual Post-Graduate student numbers versus 2013/14 projections, the Committee noted the background to the paper as outlined by the CFO and the key adjustments made to the June 2013 projections in relation to grant income, student fees and pay expenditure. The Committee specifically expressed concern around student numbers and the decline in Post-Graduate student numbers in Schools compared with projections, despite increased capacity resulting from additional posts. The Committee noted that there had been an expectation that College would maintain current activity levels at a minimum. The Committee, having considered a number of factors as to the cause of the reduction in Post Graduate numbers, agreed that a review of courses on offer (to ensure College's offering is aligned to the external market environment), is now timely and requested the Planning Group to explore this further. The Committee also requested that more detailed information would come forward to the March meeting as part of the 2013/14 estimates process.

**Action**

**67.1** Planning Group to explore a review of courses on offer to ensure College's offering is aligned to the external market environment.

**67.2** More detailed information to come forward to the March meeting as part of the 2013/14 estimates process.

**FN/13 - 14/68 5-Year Financial Forecasts 2014-19**

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The Financial Resources Manager attended for this item

The Committee considered the circulated memorandum from the Financial Resources Manager and Senior ABC / FECP Accountant dated 12.02.2014, which provided high-level scenario analysis of the projected cumulative College financial position over the five year period 2014-19, along with detailed key assumptions underpinning the scenarios. The CFO drew the Committee's attention to the inclusion of consolidation adjustments for depreciation and expenditure (e.g. strategies such as GRS and START) in consolidated expenditure for the first time. In addition it was noted that there is no provision for the renewal of infrastructure.

In discussing the scenarios presented, the Committee noted that it will be critical for the College's key strategies to deliver, given that investment in them is premised on increasing income and achieving efficiency/cost reduction.

Expressing its concern that the projected deficit is higher than had been forecast the previous year, the continued lack of flexibility around the pay budget, the lack of new and incremental revenue generating activity in academic areas and the overall impact this now has on the College's future financial sustainability, the Committee noted the 5-year Financial Forecasts 2014/15 to 2018/19 as set out. In that context, the Committee recommended to Board that the College should plan for a break-even budget for its core activity under the ABC for 2014/15.

**Action**

**68.1** The College to plan for a break-even budget for its core activity under the ABC for 2014/15.

**FN/13 - 14/69 Global Relations Quarterly Report**

(Minute FN/13 - 14/41 of 18.12.2013 refers)

The Vice President for Global Relations and the Director of Internationalisation attended for this item

The Committee considered the circulated quarterly report from the Vice President for Global Relations dated 10.02.2014. In reviewing the performance report for the first quarter of the year to 31.12.2013, the Committee noted the key issues impacting on expenditure in the period reported. The Committee further noted the updated Non-EU student recruitment position at February 2014, which set out revised targets arising from recent meetings with the Heads of School. In considering the context of these meetings and the key points outlined in relation to income generation and student numbers, the Committee noted that the College may need to adopt alternative methods to ensure a return on its investment. It was further noted that a revised GRS Business Case will be brought forward to Board, via Planning Group, in May 2014.

Having noted the overall financial position, the updated position on key deliverables along with the financial risks and sustainability issues as set out, the Finance Committee thanked the Vice-President for Global Relations and Director of Internationalisation for their report and invited them to provide a further update in June 2014.

**Action:**

**69.1** The Vice-President for Global Relations to provide the next quarterly report in June 2014.

**Section C**

**FN/13 - 14/70 GeneSIS/FIS/HR/EA Projects – Quarterly Update**

(Minute FN/13 - 14/32 of 14.11.2013 refers)

Noting the financial position of the GeneSIS, FIS, HR and EA Projects at January 2014 as set out in the circulated memorandum from the Project Management Office (PMO) dated 12.02.2014, the Committee requested a further update to be provided in Trinity Term 2014.

**Action:**

**70.1** A further update on the four projects to be provided by the PMO in Trinity Term 2014.

**FN/13 - 14/71 Non-EU Fee Levels for 2014/15 – Requests for Derogations**

(Minute FN/13 - 14/7 of 19.09.2013 refers)

Having considered the circulated memorandum from the CFO dated 12.02.2014, and the enclosed requests to Planning Group by the three Faculties for derogation from the agreed fee levels for 2014/15, the Committee noted and approved the Planning Group responses as set out in the minutes of its meetings of 19.11.2013 and 17.12.2013 respectively.

**FN/13 - 14/72 Accommodation & Catering Services Annual Report 2013**

The Committee noted the Accommodation & Catering Services Annual Report 2013 as circulated.

**FN/13 - 14/73 Minutes of Audit Committee**

The Committee considered the minutes of the Audit Committee meeting of 14.01.2014 as circulated.

**FN/13 – 14/74 Consolidated Financial Statements 2009/10 Audit Qualification Update**  
(Minute FN/13 - 14/37.1 of 18.12.2013 refers)

Having considered the circulated email correspondence between the CFO and the HEA, regarding the ongoing qualification to the College's Consolidated Financial Statements arising from unresolved sectoral pension issues, the Committee noted the current position, including the CFO's request to the HEA to clarify the accounting approach to be taken to the pension liability, in order to satisfy the College and other auditors.

**FN/13 - 14/75 Funding Statements for the Year Ended 30.09.2013**  
(Minute FN/13 - 14/39.1 of 18.12.2013 refers)

The Committee noted the circulated memorandum from the CFO dated 12.02.2014, in relation to the audit of the financial statements of the College for the year ended 30.09.2013.

**FN/13 - 14/76 Travel & Subsistence Rates for Ireland and Abroad 2014**

The Committee noted and approved the memorandum from the Chief Financial Officer dated 12.02.2014 along with the accompanying document entitled "Travel and Subsistence Rates for Ireland and Abroad for 2014" as circulated. It was agreed that the booklet would be circulated to Faculty Deans, Heads of School and Support Areas and Principal Investigators. In addition it will be made available to all interested parties on the College website.

**Action:**

**76.1** The Travel and Subsistence Rates booklet for 2014 to be circulated to the Faculty Deans, Heads of School and Support Areas and Principal Investigators and also to be made available on the College website.

**FN/13 - 14/77 Related Entity Financial Reporting**  
**XX**

The Committee noted the circulated Directors' Report and audited Financial Statements of the National Digital Research Centre (NDRC) for the year ended 31.12.2012 and recommended that they be forwarded to Board for noting.

**Action:**

**77.1** The circulated Directors' Report and audited Financial Statements of the National Digital Research Centre (NDRC) for the year ended 31.12.2012 to be forwarded to Board for noting.

**FN/13 - 14/78 Minutes of Sub Committees**

The Committee noted the circulated minutes of the Investment Committee meeting of 04.02.2014.

The Committee noted that the next Finance Committee meeting is re-scheduled for 24 March 2014, at 4.00p.m. in the Board Room of the Trinity Long Room Hub.

PROVOST.....

DATE.....