



Minutes of the Finance Committee Meeting of 4 February 2015

PRESENT: Provost (in the Chair), Vice Provost-Chief Academic Officer, Bursar, Chief Operating Officer, Registrar, President of the Students Union, Mr. J. Gorringe, Ms. C. Curtis, Chief Financial Officer (CFO) – Secretary of the Committee.

IN

ATTENDANCE: Deputy Chief Financial Officer, President of the Graduate Students Union

APOLOGIES Dean of Arts, Humanities & Social Sciences, Professor Peter Coxon

The Provost welcomed the President of the Graduate Students Union who will be in attendance at Finance Committee meetings going forward.

The Committee noted and approved the minutes of the meeting of 19 December 2014 and the circulated Status Report on the Finance Committee Action List dated February 2015.

Section A

No Items

Section B

FN/14 - 15/69 Trinity College Institute of Neuroscience (TCIN)

(Minute FN/13 - 14/91 of 15.05.2014 refers)

The Director and Finance & Business Planning Manager for TCIN both attended for this item.

The Committee welcomed the Director and Finance & Business Planning Manager for TCIN and considered the first of the bi-annual reports dated 28.01.2015 as circulated, which set out an update as follows:

- Update since last report including SFI directorship, performance, surplus, sensitivity analysis, staff costs and MRI income
- Financial projections
- Sustainability
- Risk
- Schedule of grant applications

The Committee noted that TCIN is forecasting an annual deficit for the next five years and that accumulated reserves are being run down each year. Having noted the planned retirement of key Principal Investigators in the coming years, the Committee acknowledged the need for essential appointments to achieve future revenue streams. Also noted was the reliance on fees from, and the overall costs associated with, the MRI scanner service.

In terms of continued sustainability and the role TCIN plays in delivering significant research activity, the Committee requested that the VP/CAO, Dean of Research and the CFO review the ongoing financial sustainability for Trinity Research Institutes (TRIs) in the context of increasing demand for space and the allocation of overheads between Schools and TRIs.

Thanking them for their report, the Committee invited the Director and Finance & Business Planning Manager for TCIN to provide an updated report in Michaelmas Term 2015 in line with College Policy.

Action

69.1 The VP/CAO, Dean of Research and the CFO to review ongoing financial sustainability for TRIs in the context of increasing demand for space and the allocation of overheads between Schools and TRIs.

69.2 In line with College policy, the Director and Finance & Business Planning Manager to provide an update in Michaelmas Term 2015.

FN/14 - 15/70**Trinity Biomedical Sciences Institute (TBSI)**

(Minute FN/13 - 14/103 of 12.06.2014 refers)

The Executive & Technical Director of TBSI attended for this item.

The Committee welcomed the Executive & Technical Director of TBSI and considered the first of the bi-annual reports dated 28.01.2015 as circulated, which set out an update under the following headings:

- Update since the last report, including the status of the Academic Directorship
- Financial Projections
- Risk
- Sustainability
- Grant Applications

The Committee's attention was once again drawn to the outstanding capital funds owed by Schools for the TBSI facility and the CFO was requested to engage with the relevant Schools in this regard.

The Committee noted that the financial projections show that TBSI's accumulated reserves are being run down each year. The Committee noted the development of NMR income along with the status of the NMR loan repayment schedule and received confirmation that the agreed loan repayments are included in the financial projections presented. The Executive & Technical Director of TBSI briefed the Committee on the risks around research overhead allocation and its effect on overall research activity.

The Committee noted that TBSI was originally envisaged to operate as a shared services centre and requested that this issue be considered by the VP/CAO, Dean of Research and the CFO when reviewing ongoing financial sustainability for TRIs in the context of increasing demand for space and the allocation of overheads between Schools and TRIs.

The Committee thanked the TBSI Executive & Technical Director for his report and, in line with College policy, invited him to provide an update in Michaelmas Term 2015.

Action

70.1 The VP/CAO, Dean of Research and the CFO to review the status of TBSI as a shared service centre as part of an overall review of financial sustainability for TRIs in the context of increasing demand for space and the allocation of overheads between Schools and TRIs.

70.2 The CFO to engage with the relevant Schools in relation to the repayment of outstanding capital funds for the TBSI facility.

70.3 In line with College policy, the TBSI Executive & Technical Director to provide an update in Michaelmas Term 2015.

FN/14 - 15/71**Centre for Research on Adaptive Nanostructures and Nanodevices (CRANN)**

(Minute FN/13 - 14/89 of 15.05.2014 refers)

The Director and Finance Manager for CRANN both attended for this item.

The Committee welcomed the Director and Finance Manager for CRANN and considered the report dated 28.01.2015 as circulated, which set out an update under the following headings:

- Executive summary
- Financial summary
- Grant applications
- Sustainability
- Risk

The Committee considered the updated position as outlined, noting in particular that CRANN is forecasting an annual deficit for the next five years driven primarily by the running costs of AML that accumulated reserves are being run down each year and the overheads issue associated with the SFI Centre. The Committee noted that CRANN's Executive Committee is working on a number of proposals, including Funding Diversification that will reduce or eliminate the deficit by 2017/18.

The Committee further noted the "Funding Diversification" schedule as tabled and requested the Finance Manager for CRANN to provide a further report to the Provost and the CFO outlining funding by Principal Investigator, including volume of submissions made in 2014. This schedule should be included with future reports to Finance Committee.

Having considered the detailed report from CRANN, the Committee requested that the VP/CAO, Dean of Research and the CFO review financial sustainability for TRIs in the context of increasing demand for space and the allocation of overheads between Schools and TRIs.

The Committee thanked the Director and Finance Manager of CRANN for their report and, in line with College policy, invited them to provide an update in Michaelmas Term 2015.

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| 71.1 | The Finance Manager for CRANN to provide a further report to the Provost and the CFO outlining funding by Principal Investigator, including volume of submissions made in 2014. |
| 71.2 | Future reports from CRANN to include a schedule outlining funding by Principal Investigator, including the volume of submissions made in the current year. |
| 71.3 | The VP/CAO, Dean of Research and the CFO to review financial sustainability for TRIs in the context of increasing demand for space and the allocation of overheads between Schools and TRIs. |
| 71.4 | The Director and Finance Manager for CRANN to provide an update in Michaelmas Term 2015. |

**FN/14 - 15/72
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Consolidated Financial Statements 2011/12 and 2012/13 (Minute FN/14 – 15/52 of 19.12.2014 refers)

The Committee considered the circulated memorandum from the Deputy CFO dated 28.01.2015 and the accompanying documents including:

- Draft Consolidated Financial Statements (including KPMG Audit Report) for the years ended 30 September 2012 and 30 September 2013
- Draft Letters of Representation to KPMG 2011/12 and 2012/13

The key details of the Consolidated Financial Statements 2011/12 and 2012/13 were outlined by the Deputy CFO under the following headings:

- Financial Reporting Requirements
- Audit Status
- Pension Issues
- Depreciation of Land and Buildings
- Consolidation of Endowment Funds
- Consolidated Financial Statements - Outcome

The Committee noted that the C&AG's concerns have been addressed in the revised Consolidated Financial Statements and a summary schedule of revisions made in this

respect was brought to their attention. The Committee was advised that the C&AG's final review is currently in progress with sign-off expected in advance of the Audit Committee meeting on 12.02.2015.

The Committee noted the qualified opinion from KPMG (in respect of FRS12 and the recognition of pension assets) and agreed that the Consolidated Financial Statements and Letters of Representation should be forwarded to Audit Committee for review and onward recommendation to Board for approval.

Action

72.1 The Consolidated Financial Statements for the years ended 30 September 2012 and 30 September 2013 and Draft Letters of Representation to be submitted to Audit Committee for review and onward recommendation to Board for approval.

**FN/14 - 15/73
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Trinity Endowment Fund Financial Statements to 30.09.2014

The Committee had been circulated with a copy of the draft Trinity Endowment Fund Financial Statements (formerly Trust Fund (Benefactions)) and the draft Letter of Representation to KPMG for the 15 month period ended 30 September 2014. Having received a short presentation from the Deputy CFO on the performance of the fund in the period, the Committee noted the financial statements and agreed that they be submitted to the Audit Committee for review and onward recommendation to Board for approval. The Committee further noted that it was the intention of the auditors KPMG to issue an unqualified audit opinion following approval of the draft Financial Statements by Board.

The Committee requested the CFO to review the level of investment management fees and recommended that the Investment Committee consider whether the Endowment Fund might make a direct investment in College property in the future.

Action

73.1 The draft Trinity Endowment Fund Financial Statements and draft Letter of Representation to be submitted to the Audit Committee for review and onward recommendation to Board for approval.

73.2 The CFO to review the level of investment management fees.

73.3 The Investment Committee to consider whether the Endowment Fund might make a direct investment in College property in the future.

FN/14 - 15/74

Academic Registry

The Committee considered the circulated memorandum from the Chief Operating Officer (COO) dated 28.01.2015 in respect of the approval of the Academic Registry Enhancement Program and the COO outlined the main objectives of the program as follows:

- Support the student lifecycle
- Enable the College to grow student numbers
- Meet the needs of current and future students
- Impact positively on the reputation of the College
- Provide a solid foundation for future enhancement of the SITS system to support College needs

The COO presented the business case to the Committee in terms of Project Definition, Potential Options and Recommendation and Outline Business Case for the Recommended Option.

The President of the Student's Union recommended that achievement of key milestones be communicated regularly to the student body as key stakeholders of the Project, and the Committee agreed that the success of the Project is dependent on strong leadership and fostering a culture of change in the Academic Registry.

Action

74.1 The Chief Operating Officer to ensure that the achievement of key Project milestones is communicated to the student body on a regular basis.

Section C**FN/14 - 15/75 Travel and Subsistence Rates for Ireland and Abroad 2015**

The Committee noted and approved the memorandum from the Chief Financial Officer dated 28.01.2015 along with the accompanying document entitled "Travel and Subsistence Rates for Ireland and Abroad for 2015" as circulated. The Committee was informed that the booklet would be made available to all interested parties on the FSD website.

FN/14 - 15/76 2015/16 Fee Derogations

The Committee noted the memorandum from the CFO dated 28.01.2015 entitled "Non-EU Fee Levels for 2015/16 – Derogations", which set out the request for ongoing derogations to the 2014-15 Non-EU fee increase and requests for derogations from fee increases for 2015/16. The derogations were approved in all cases except for the Business School and the Committee requested that the Business School should reconsider fee levels in the context of the overall growth plan, the significant planned capital investment in the new Business School, and the recent weakening of the Euro.

Action

76.1 The Business School to reconsider fee levels in the context of the overall growth plan, the significant planned capital investment in the new Business School and the recent weakening of the Euro, and revert to Finance Committee in Hilary Term 2015.

FN/14 - 15/77 Provost's Expenses

The circulated memorandum from the Secretary to College dated 23.01.2015, setting out the bi-annual report of the Provost's expenses for the period 1.07.2014 to 31.12.2014 was noted. Furthermore, the Committee noted that, as indicated, all expenses incurred were approved in line with relevant College policies, no exceptional items of expenditure were incurred and that reimbursement claims (and associated supporting documentation) were available for review at the meeting.

FN/14 - 15/78 FIS User Group

The Committee approved the FIS User Group Terms of Reference as circulated by the Chief Financial Officer dated 28.01.2015 and noted the following documents, also circulated:

- FIS User Group minutes of meeting on 01.10.2014
- Draft FIS User Group minutes of meeting on 04.12.2014

FN/14 - 15/79 Minutes of Audit Committee

The Committee noted the draft minutes of the Audit Committee meeting of 11.12.2014, as circulated and, as advised at the previous meeting (FN/14 – 15/60 of 19.12.2014 refers), the FSD will conduct a review of the Purchasing Card, with the outcome to be presented to the Finance Committee in Hilary Term 2015 following consideration of the report by the Executive Officer Group.

**FN/14 - 15/80
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Related Entity Financial Reporting

The Committee noted the Director's Report and audited Financial Statements of the Houghton Institute for Graduate Education and Training in the Health Sciences Limited for the year ended 31 December 2013 and recommended that they be forwarded to Board for noting.

**Action
80.1**

The Director's Report and audited Financial Statements of the Houghton Institute for Graduate Education and Training in the Health Sciences Limited for the year ended 31 December 2013 to be forwarded to Board for noting.

The Committee noted that the next Finance Committee meeting is scheduled for Thursday, 12 March 2015 at 2.30pm in the TBSI Boardroom.

PROVOST.....

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