



Minutes of the Finance Committee Meeting of 10 June 2019

Present: Provost (Chair), Vice-Provost, Bursar (except for Minutes 103 and 111), Dean of Engineering, Maths and Science (FEMS) (for Minutes 104-108), Chief Operating Officer, Registrar (for Minutes 103 & 105-126), Ms. C. Curtis, Professor S. Alyn Stacey, President of the Students Union, Interim Chief Financial Officer (ICFO) – Secretary to the Committee

In Attendance: GSU President, Deputy CFO
Incoming SU and GSU Presidents

Apologies: Mr. L. Kavanagh, Director of Financial Planning & Risk Management

Statement of Interest: None declared

The Committee noted and approved the minutes of the Finance Committee meeting of 01.05.2019. The Committee further noted the update provided by the ICFO on matters arising from the minutes and as set out in the circulated schedule of open Action Items, dated June 2019.

The Provost, on behalf of the Committee, welcomed the incoming Presidents of the SU and GSU, who both provided a brief, verbal biography by way of introduction.

Section A

FN/18-19/103 Consultancy Policy XX

The Committee noted the circulated memorandum from Dr Joanne Conroy Consultancy Manager, Dr Declan Weldon, Head of Office of Corporate Partnerships & Knowledge Exchange and Mr Leonard Hobbs, Director of TR&I dated 04.06.2019, which set out a proposal for a new consultancy policy, incorporating the existing outside earnings policy, under the following headings:

- Introduction
- What is consultancy?
- Policy and Scope
- Benefits for Academic Staff and Trinity
- How can Trinity staff engage in consulting?



- Conflicts of Interest
- Compliance
- Policy Review

By way of presentation, the Director of TR&I summarised the background to the proposed policy across the following headings:

- Collaboration – the knowledge exchange model
- Managed consultancy service in TR&I (3-year pilot)
- Progress to date
- Key Findings from baseline study
- Why do we need a policy on consultancy?

Having noted the context for the proposed policy, the Committee considered the extensive stakeholder engagement undertaken, the key policy elements, including the definition and examples of consultancy, the proposed financial procedures and distribution of income (noting that Consult Trinity would be a self-financing unit) along with the range of services available from TR&I. The Committee further noted the differences between carrying out private and University-managed consulting. Having reviewed the benefits to the academic community and to the University, and subject to some minor amendments, the Committee recommended the policy to Board for approval on a pilot basis, requesting that the performance of the policy and the unit be reviewed by Finance Committee after 2 years in operation, in 2021-22.

Action:

103.1 The Committee recommended the policy to Board for approval on a pilot basis, subject to some minor amendments, and requested that the performance of the policy and the unit be reviewed by Finance Committee after 2 years in operation, 2021-22.



Section B

FN/18-19/104 Financial and Performance Highlights – Q2 2018/19

The Projects Accounting Manager (Capital & Research) attended for this item.

In considering the Q2 2018/19 Executive Summary and detailed reports from the Deputy CFO and the Project Accounting Manager dated 10.06.2019 as circulated, the Committee welcomed the updated information, including the key messages as set out and noted (by way of presentation) the highlights across the following headings:

- Financial summary dashboard
- Budget to Forecast
- Student numbers trend FY2015-19
- Student numbers analysis
- Adjusted budget to forecasted variances by Faculty/Division
- Variance by School
- Adjusted budget to actual variances by Faculty/Division
- High-level analysis 2016/17 vs 2017/18 total pay costs
- Executive summary: research/capital
- Cashflow forecast
- Trinity's Gearing and Loans/Debt Profile
- Trinity Endowment Fund
- Key messages

The Committee considered the financial summary and the budget to latest forecast for 2018/19 in detail, noting the forecasted outturn to 30.09.2019 before unrealised gains and losses on investments, and the improvement on the position reported in Q1, arising primarily from additional revenue. The Committee noted the Q2 operational position – i.e. earnings before interest, tax, depreciation and amortisation (EBITDA), which is also favourable to budget. The Committee noted the increase in expenditure due to a number of factors, including:

- FEMS project-spending
- CRU spend associated with cost of goods for resale and enhanced student accommodation



- Commission fees for student recruitment and subscription costs

The Committee further noted the reduced depreciation figure in the quarter, due to the timing of new projects and the end of depreciable life of assets.

The Committee reviewed the additional detail provided on student number trends, including the small increase in student numbers on prior year and the overall growth since FY14/15. However, the Committee noted with concern, the shortfall in students compared to the projections reported to Board in June 2018, further noting that year-on-year student number growth relates largely to the Business School.

Having reviewed the detail of the Q2 2018/19 adjusted budgets to forecasted variances by Faculty and Division, the Committee noted the factors underpinning the reported results, in addition to the variances by School. The Committee further noted the variance in central income and costs as outlined.

The Committee welcomed the high-level analysis of the movement in staff costs between 2016/17 and 2017/18, including the key drivers as follows:

- FEMPI pay restoration and national wage increases under Haddington Road and public service pay agreements
- increments and promotions
- increase in FTEs

The Committee noted the University's research activity for the quarter is down 2.7% on prior year, primarily due to a decrease in SFI spend. The increase in research income is due to timing of receipts from EU, SFI and Industry for the year to date. The Committee further noted the value of new awards is down 19.3% on prior year due to a drop in SFI, Industry and EI Awards, with a decrease in Exchequer awards also causing a drop in the indirect cost recovery rate. The Committee welcomed the very significant increase in new proposals value, including submissions to SFI (€159m), EU (€117m) and other national grant proposals (€56m).

The updated information on capital project activity and the overall capital portfolio value was noted (including the top 5 approved projects by value) along with the significant increase in capital expenditure, which is 37% ahead



of prior year, largely arising from the Trinity Business School and Printing House Square projects.

In considering the updated cash-flow forecast (operational and capital), the Committee noted a decrease in cash for the first six months of the year to 31 March, largely driven by capital expenditure and reinvestment of Endowment Fund cash holdings. The final two quarters show further cash outflows on capital and operational expenditure which is offset by new loan drawdowns for the TBSI refinancing, Printing House Square and E3, giving a positive forecasted closing cash position at year-end. The forecasts also indicate that the University will continue to hold minimum year-end cash balances greater than 45 days cash and FSD will monitor this closely to ensure EIB loan covenant requirements are met at the financial year-end.

The Committee considered the updated information on the University's gearing and loan/debt profile, noting the timing of the drawdowns of the 3rd EIB loan and the two recently approved commercial loans. The updated information on the Endowment Fund, along with the current market value and status of the portfolio restructure, was also noted.

The Interim CFO highlighted that the University is broadly on track versus budget and, if finances are carefully managed and in the event that market gains are realised, may achieve a surplus for the financial year, noting that the impact of top slicing of the State funding received will be raised at Sectoral level with the HEA and the IUA. Following a query, the Interim CFO briefed the Committee on the status of the current review of the Baseline Budgeting Model, noting that it would come forward for consideration by EOG and Finance Committee in due course.

Thanking the Deputy CFO and the Project Accounting Manager for their presentations and the key messages as outlined, the Committee requested that an update on Q3 2018/19 activity be provided in Michaelmas Term 2019.

Action:

104.1 An update on Q3 2018/19 activity to be provided in Michaelmas Term 2019.



FN/18-19/105 Historic Accommodation Building Refurbishment Project

XX

The Dean of Students (Project Sponsor) attended for this item.

The Committee welcomed the circulated memorandum from the Dean of Students dated 04.06.2019, which set out a proposal for the refurbishment of historic accommodation buildings on the main campus, across the following headings:

- Background/Context
- Objectives (utilisation, building standards, heritage)
- Project Options and Recommendation
- Financial Models

By way of presentation, the Dean of Students summarised the business case for the proposed project, which had been identified as part of the Estates Strategy approved by Board in September 2018, noting the significant level of work required to bring the buildings into line with fire safety and accessibility standards. The Committee further noted that the buildings under consideration, though largely vacant in the last year, are significant assets providing substantial accommodation space at a central location on campus. In considering the options to utilise both buildings more effectively, the Committee noted the in-scope activities set out in the project proposal.

In considering the project benefits and funding model, the Committee noted the historic nature of the buildings and the consequential limitations in terms of achieving the normal financial metrics for a capital project of this type. The Committee also noted the costs of universal access as outlined along with the ongoing engagement with Dublin City Council regarding guidelines for accessible buildings on campus.

Having reviewed the risk register, along with key assumptions, issues and dependencies as outlined, the Committee recommended the refurbishment project to Board for approval in principle, including the drawdown of €2.8m, subject to the completion of an ECBA in July 2019 – noting that an exception would be made to the required IRR hurdle rate for the project due to the historic nature of the buildings and the associated conservation elements of the refurbishment project.



Thanking the Dean of Students for his report, the Committee requested an update in Michaelmas Term 2019.

Action:

105.1 The Committee recommended the refurbishment project to Board for approval in principle, including the drawdown of €2.8m, subject to the completion of an ECBA.

105.2 An updated report to come forward for consideration in Michaelmas Term 2019.

FN/18-19/106 Law School Development Project

XX

The Head of School of Law, former Head of School of Law, and Project Appraisal Manager attended for this item.

The Committee welcomed the circulated memorandum from the Law School dated 10.06.2019, setting out a request for approval for the direction of its Development Plan, under the following headings:

- Context
- Purpose
- Key Elements of the Development Plan

By way of presentation, the Head of the Law School set out the background to the School's request of the Committee, across the following headings:

- Law School Development Project – Objectives
- Key Elements of Development Plan
- Before & After
- Projected Programmes After Growth
- Growth in First 5 Years of Project
- Human Resources
- Multi-Criteria Analysis
- Planned Location
- Capital Costs Summary
- HESIF Application Financial Overview/Detailed Figures
- First 5-years Impact
- Next Steps/Actions



The Committee noted that the Law School Development Project has been put forward as Trinity's sole application to the Higher Education Strategic Infrastructure Fund (HESIF), with €9m in co-funding sought for the capital costs of the proposed new Law School building, in a funding application submitted in March 2019. The HEA has now requested confirmation that the Project proposal has been approved by Board, and that the University is committed to delivering the co-funding, and it is in this context that the Committee's approval was sought for the high-level Development Plan.

In considering the Development Plan as outlined, the Committee noted the five key elements including the planned focus on growth at post-graduate level, incrementing over the next 5 years, and the associated growth in the academic faculty and professional services staff along with the plans for a new, purpose-built Law School Building to enable delivery of the growth plan. The Committee also reviewed the projected PG and UG student numbers (steady state) and the breakdown of total projected student numbers (EU and Non-EU) provided for each programme, noting the detailed 5-year growth analysis as set out. Further to a query, the Head of the Law School confirmed that the projected growth in the Professional Diploma and Graduated Entry programmes is achievable based on extensive market testing and the evident demand for these courses, which will be introduced on a phased basis.

The Committee, in considering the plans for the new Law School building, reviewed the multi-criteria analysis undertaken by external consultants in relation to various development options and locations along with the capital costs summary and financial overview as outlined by the Project Appraisal Manager. Following a detailed discussion of the proposed building location, the Committee noted its impact on the project's overall finances, and although it is achieving the agreed hurdle rates, there are additional costs and risks arising from the associated decant that require further consideration.

In this context, and noting that the high-level Development Plan had previously been approved by the Executive Officers Group, the Committee recommended it for onward consideration and approval by Board. The



Committee also requested that further analysis and review of the proposed location of the new Law School building be undertaken in advance of the full Business Case being brought forward for approval in Michaelmas Term 2019.

Action:

106.1 The Committee recommended the proposed high-level plan for the Law School development to Board for approval.

106.2 The Committee requested further consideration of the location of the new Law School building in advance of the full Business Case coming forward for approval in Michaelmas Term 2019.

FN/18-19/107 TTEC Pre-Development Project

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The Chief Innovation and Enterprise Officer attended for this item.

The Committee welcomed the circulated memorandum from the Chief Innovation & Enterprise Officer (Project Sponsor) and the Interim CFO dated 04.06.2019, which set out a proposal in respect of the governance structure for the TTEC pre-development phase and a funding request to support advancement of the project to 30.11.2019 under the following headings:

- Executive Summary
- Update & Context
- Governance & Project Management
- Pre-Development Business Case

The Chief Innovation & Enterprise Officer summarised the progress made on the TTEC project over the last 18 months including:

- Development of a masterplan for the site
- Public launch of the Grand Canal Innovation District (GCID) vision by An Taoiseach
- Completion of an Economic Cost Benefit Analysis
- Strategic site acquisition
- Funding awards from the Regional Enterprise and Urban Regeneration and Development Funds



- Development of an independent financial model and business plan for the GCID development, with input from the European Investment Bank and Irish Strategic Investment Fund

The Chief Innovation & Enterprise Officer also outlined the proposed work programme and governance structure for the pre-development phase of the project, highlighting the key deliverables including:

- Business plan for the Phase 1 development
- Launch of a Government report on the GCID, endorsing the vision and committed funding
- Completion of site de-risking activities
- An established governance structure for the GCID
- Establishment of an early activation strategy on the campus
- Development of a long-term operational strategy for the site
- Implementation of a successful risk management strategy for the project and the overall development

In considering the restructured project management and governance arrangements, the Committee noted the introduction of a key Project Director role reporting to the Steering Committee, to work alongside the Project Sponsor and to drive activity across work stream groups to ensure an integrated approach is taken to delivering the project vision.

The composition of the TTEC Steering Committee and Working Groups (for each work stream) along with the supporting information provided in relation to the overall Project governance structure and reporting lines, in addition to the Steering Committee's Terms of Reference was further noted. Having considered work programmes and deliverables assigned to each Working Group, the Committee noted the breadth of the internal resourcing requirements, the clarity provided on roles and responsibilities within the Project and the proposal of an Interim Working Committee whilst critical project resources are recruited over the coming months.

In his presentation, the Interim CFO provided an overview of the Pre-Development business case and phasing, highlighting the investment required to fund the three distinct phases, including the strategic site



acquisition and the pre-development work over the next 6 months, for which approval was now sought. In considering the breakdown of the pre-development investment categories and phasing, the Committee reviewed the detail provided, noting the rationale for the site de-risking and early activation costs, along with programme and resourcing costs as outlined. Detailed analysis of the funding required to 30 November 2019 by activity, along with the breakdown of the professional fees budgeted were also noted.

The Committee also reviewed the proposed funding and financing model for the overall pre-development costs by way of short term debt funding including the following elements:

- Establishment of a borrowing facility
- To finance the strategic site acquisition, with the current year costs to be funded from existing cashflow and refinanced (subject to Board approval in September 2019)
- Short term borrowing period proposed with the debt re-financed after 3-5 years.

The Interim CFO also drew the Committee's attention to the independent review of the project costs undertaken by PWC, which had validated the proposed spend to November 2019 and made recommendations regarding:

- Management of recruitment risks and challenges
- Use of fixed-price contracts for professional fees
- Complexity of the procurement process

The Committee noted the projected uplift in the site value will ensure the commercial viability, and mitigate the financial risk, of the pre-development investment should the project not proceed as planned. In this context, and having noted the next steps as outlined by the Interim CFO, the Committee recommended the following to Board for approval:

- a) proposed governance and programme management structure
- b) requested drawdown to advance the project to November 2019
- c) utilisation of a loan to complete the strategic site acquisition



Having noted the risk schedule as circulated, the Committee also requested the Chief Risk Officer to prepare a summary risk analysis to be included with the proposal in advance of its consideration by Board.

Action:

107.1 The Committee requested the Chief Risk Officer to prepare a summary risk analysis of the proposal in advance of its consideration by Board.

107.2 The Committee recommended the following to Board for approval:

- a) proposed governance and programme management structure
- b) requested drawdown to advance the project to November 2019
- c) utilisation of a loan to complete the strategic site acquisition

FN/18-19/108 Sustainability of Trinity Research Institutes (TRIs)

(Minute FN/18-19/18 of 23.11.2018 refers)

The Dean of Research attended for this item.

The Committee welcomed the circulated presentation from the Vice Provost/CAO and the Dean of Research dated June 2019, which provided an update on the sustainability of 4 of the 5 Trinity Research Institutes (TRIs), and noted the ongoing restructuring of TBSI. In her presentation, the Dean of Research outlined the development of the 5 Research Institutes and discussed the meaning of sustainability of the TRIs in the University context, including:

- Strategic relevance
- Financial viability
- Functioning relationships with schools
- Plans for succession

The Committee noted the alignment of the TRIs with Trinity's overall research themes and the role they will play in emerging initiatives such as



the 'Inspiring Generations' Fundraising Campaign, E3, Research Policy Interface and SDG Research Hub.

In considering the financial viability of the TRIs, the Committee noted the level of subvention from the University on an annual basis along with Faculty contributions in some cases, performance against budget in 2017/18 and 2018/19 for TLRH, TTMI, TCIN and CRANN, along with the income and expenditure projections for 2019 to 2023. The Committee further noted:

- the substantial public humanities programme delivered by TLRH and the associated reputational value-add for the University
- TTMI does not receive central funding and is likely to attract more funding and overhead income than set out in its (conservative) projections
- the impact of CRANN's significant infrastructure costs on its financial performance
- the impact of new equipment costs on TCIN's financial projections balanced by an increase in the PI base coupled with increased activity and funding awards

The Dean of Research highlighted the financial value the active base of PIs bring to the University via the very significant research income generated compared to the costs of the TRIs. Nevertheless, the Committee noted the mixed picture presented in terms of the performance and viability of individual Institutes and expressed concern at the ongoing reliance on subventions from the University. In this context, and further to a detailed discussion on the options available to improve the financial viability of the Institutes, the Committee requested:

- a) Planning Group to review the University's strategic funding of TRI's
- b) All financial projections be reviewed and re-cast with a view to eliminating deficits
- c) Equipment to be capitalised correctly with analysis of financial plans to include split of capital and recurrent spend
- d) A consolidated plan for all 5 TRIs, factoring in costs of asset renewal, to be brought forward for consideration in Michaelmas Term 2019.



Action:

108.1

The Committee requested:

- a) Planning Group to review the University's strategic funding of TRI's
- b) All financial projections be reviewed and re-cast with a view to eliminating deficits
- c) Equipment be capitalised correctly with analysis of financial plans to include split of capital and recurrent spend
- d) A consolidated plan for all 5 TRIs, factoring in costs of asset renewal, to be brought forward for consideration in Michaelmas Term 2019

FN/18-19/109 Global Relations Strategy (GRS) II – Final Update

(Minute FN/18-19/50 of 04.02.2019 refers)

The Vice-President for Global Relations attended for this item.

The Committee noted the memorandum from the Vice-President for Global Relations (VPGR) dated June 2019 setting out the detail provided on GRS across the following headings:

- Executive Summary
- Update – May 2019
- Risk Register

In her presentation, the VPGR highlighted the 2018/19 report on student registrations and the Committee also noted the overall performance to date against student recruitment and income targets (97.2% and 95.6% respectively) in the final year of this strategy, which has now concluded. In noting the final budget position, the Committee welcomed the significant additional income generated through internationalisation activities. The Committee further noted the ongoing work with Faculties in developing GRS3, which was approved by Board in December 2018 along with the 2019/20 student recruitment update. Following a query on staff:student ratios and the additional resources and supports required for the growing



number of international students, the VPGR advised that under GRSIII, the Schools' growth plans include staff recruitment.

Thanking the VPGR for her final report on GRSII, the Committee noted that the first GRS3 update will come forward for review in Michaelmas Term 2019.

FN/18-19/110 Proposal to Equalise PhD fees

The Vice-President for Global Relations attended for this item.

The VPGR summarised her circulated memorandum dated June 2019, which set out a proposal to equalise PhD fees. The Committee considered the background and context for the proposal, including the issue of falling PhD student numbers and noted the financial impact that fee equalisation would have on each School/unit as outlined, further noting the additional scenarios provided in relation to fee certainty arrangements in the context of the fee equalisation proposal.

Having discussed the proposal in detail, and noting the potential financial impact as outlined, the Committee agreed that due to a number of issues arising, the proposal will not be pursued at this time.

Action:

110.1 Due to a number of issues arising, the proposal to equalise PhD fees will not be pursued at this time.

FN/18-19/111 Investment in Services for Students

(Minute FN/17-18/71 of 07.03.2019 refers)

The Director of Student Services attended for this item.

The Committee welcomed the circulated memorandum from the COO and Director of Student Services dated 10.06.2019 along with the accompanying appendices in relation to the University's investment in services for students. In her presentation, the Director of Student Services provided an overview of the breadth of services currently provided to students, along with a breakdown of service usage and satisfaction ratings, drawn from a recent



student survey. Having considered the service enhancement plans as outlined, the Committee noted the expenditure on student services in 2018/19 (compared to 2013/14 levels) along with an outline of future investment plans. The Committee further noted the increases in both staff and student numbers, and the mixed budget outcomes for individual services along with the results of a benchmarking exercise, which emphasised a need for investment in the Academic Registry. Having noted Trinity's overall investment in student services in comparison to other universities, the Committee acknowledged that the University's overall financial position in recent years had been a limiting factor.

In discussing the possibility of an additional student levy to support future investment in other services such as Health and Counselling, the Committee agreed that any such proposal requires collaboration with and agreement from the student representatives. Furthermore, the Committee agreed that any additional levy would be predicated on targeted investment in key services, with tangible benefits to students arising from that investment.

The Committee thanked the COO and Director of Student Services for their report.

Section C

FN/18-19/112 External Audit 2017/18 – Management Letters

The Committee noted the circulated memorandum from the Deputy CFO dated 30.05.2019 along with the accompanying documents as follows:

- FY2017/18 C&AG Management Letter
- FY2017/18 KPMG Management Letter

The Committee noted the status of the audit findings of the University's statutory and commercial auditors in the financial year 2017/18, encompassing the financial risks and control issues facing the University, and the associated management responses set out, in relation to issues identified.



The Committee noted the ratings as follows:

Auditor	No. of audit			Low
	findings	High	Medium	
C&AG	8	2	2	4
KPMG	11	3	7	1

FN/18-19/113 FSD Risk Assessment Update May 2019

(Minute FN/18-19/41 of 04.02.2019 refers)

The Committee noted the circulated memorandum from the Interim CFO, dated 31.05.2019, which enclosed a schedule setting out the strategic financial risk to the University, identified by FSD as high, along with the associated mitigating actions taken or planned regarding the University's financial sustainability, which included the sufficiency of cash flow to meet day to day requirements, the sustainability of Trinity Research Institutes etc.

FN/18-19/114 Finance Committee Self-Evaluation – Outcomes Report

(Minute FN/18-19/84 of 07.03.2019 refers)

The Committee welcomed the circulated report from the College Secretary dated 24.05.2019, which set out in detail the results of the Finance Committee Self-Evaluation process for 2018/19 (in accordance with its Terms of Reference and as previously approved by the Committee) and conducted via an online survey for the second time.

The Committee noted the overall response rate of 64% to the self-evaluation questionnaire, the metric provided in terms of meeting attendance by members and welcomed the primarily positive responses received in terms of how the Committee conducts its business.

FN/18-19/115 Internal Audit Recommendations Log

(Minute FN/17-18/122 of 06.07.2018 refers)

The Committee noted the circulated memorandum from the Deputy CFO dated 30.05.2019 along with the accompanying schedules setting out the status of the 52 Internal Audit recommendations assigned to each of the



Chief Officers, which was considered by the Audit Committee on 02.06.2019. The Committee noted the summary of “Risk Accepted” points and the detail provided on the outstanding recommendations and that a further update will come forward in 2019/20 following consideration by the Audit Committee.

Action:

115.1 A further update to come forward in 2019/20, following consideration by the Audit Committee.

FN/18-19/116 Trinity Industry Engagement Strategy Final Update
(Minute FN/18-19/53 of 04.02.2019 refers)

The Committee noted the final update on the Trinity Industry Engagement Strategy provided in the circulated memorandum from the Director of TR&I, the Head of Office of Corporate Partnership and Knowledge Exchange (OCPKE) and Senior Business Development Manager (TR&I) dated 27.05.2019 across the following headings:

- Update since the last report
- Financial Summary 2018/19
- Financial Position of Project Lifecycle (5-years)
- High Level Key Risks

The Committee noted that the strategy has now completed its original 5-year cycle and is reporting an underspend against the approved budget. Having significantly exceeded the approved income target, the Committee noted the activity and resources are in the process of being mainstreamed, integrating with the OCPKE in TR&I to support academics across the University with industry engagement.



FN/18-19/117 Trinity Development & Alumni (TDA) Campaign Update
(Minute FN/18-19/38 of 04.02.2019 refers)

The Committee welcomed the circulated memorandum from the Director of Advancement dated 31.05.2019 which set out an update on performance against the approved Business Plan targets for philanthropic pledges as part of the Board-approved TDA campaign, across the following headings:

- Update since last report (September 2018)
- YTD funds raised and income
- Review of outstanding pledges
- Ageing of pledges
- Forecasted cash flow
- Operating costs: YTD to April 2019

The Committee noted the TDA Campaign is on track overall, with 77% of the overall 'Funds Raised' Target (pledges) achieved, further noting the updated analysis of outstanding pledges, the income received since the last report along with the balance and age profile of outstanding amounts.

The performance to 30.04.2019 along with the budget update provided was noted and a further update was requested for consideration in Michaelmas Term 2019.

Action:

- 117.1** An updated report to come forward for consideration in Michaelmas Term 2019.

FN/18-19/118 The Lir (National Academy of Dramatic Art at Trinity College)
(Minute FN/17 - 18/113 of 06.07.2019 refers)

The Committee welcomed the circulated memorandum from the Director of The Lir dated 30.05.2019 and the accompanying schedules, providing an update on The Lir's activities under the following headings:

- Introduction
- Current position
- Outlook



- Commercial Director
- Lir At Work
- Enhanced Governance Structures
- Recent Developments
- Long-term facilities expansion
- Current Risks

The Committee noted that The Lir has adopted the Statement of Recommended Practice (SORP) Accounting for Further and Higher Education 2015 and prepared its financial statements in accordance with the HE SORP for the first time for the year ended 30.09.2018, with comparatives restated from the previous financial year. The Lir's EBITDA position at the financial year end was noted along with the positive financial outlook, based on forecasted income both from student fees and commercial revenue streams.

The Committee welcomed the update on developments since the last report, noting the events hosted, workshops delivered, staff recruitment and donations received. Further noting the risk register as circulated, the Committee requested the Director of The Lir to provide an updated report in Trinity Term 2020.

Action:

- 118.1** An updated report to come forward for consideration in Trinity Term 2020.

FN/18-19/119 Commercial Revenue Unit (CRU) Update
(Minute FN/18-19/63 of 07.03.2019 refers)

The Committee noted the circulated memorandum from the Commercial Director dated 24.05.2019, which provided updates across the following headings:

- Executive Summary
- Update since the last report
- Full Financial Year 2018/19
- Performance over Project Lifecycle
- Risks
- Sustainability Issues



Having noted the performance against budget for the year to date, along with the prior year comparison as set out, the Committee once again noted the strong performance of the Book of Kells and the Library Shop. The Committee further noted the positive variance in the full year forecast against budget, driven again by the Book of Kells and Library Shop, along with the factors underlying the variances against budget for other income streams.

Noting the risks and sustainability issues as outlined, the Committee requested a further update in Michaelmas Term 2019.

Action:

119.1 An updated report to come forward for consideration in Michaelmas Term 2019.

FN/18-19/120 Trinity Asia Services Limited (TASL), Singapore Update

The Committee noted the circulated memorandum from Professor John Gormley and the Project Appraisal Manager dated 10.06.2019 and the update provided on Trinity Asia Services Limited in Singapore, under the following headings:

- Executive Summary
- Update since the last report
- Financial Summary
- Risks
- Other Matters

The Committee noted the detail provided on activity since the last report, including the preparation of the first set of financial statements since the company was incorporated (in April 2017) for the year ended 30.09.2018, along with the performance update of the single and four-year programmes. In considering the financial summary, the Committee welcomed the significant surplus over budget generated in the financial year and noted the impact on forecasted income from the planned changes in the availability of one-year programmes in particular.



Having noted the medium and low risks as outlined, the Committee requested that a further update be brought forward for consideration in Michaelmas Term 2019.

Action:

120.1 An updated report to come forward for consideration in Michaelmas Term 2019.

FN/18-19/121 2019 HEA Grant Letter and associated Budget and Accountability Meeting

As outlined in the circulated memorandum dated 31.05.2019, the Committee noted that Trinity received the 2019 Grant Letter from the HEA on 29.03.2019. An analysis of the Grant Letter, previously presented to Planning Group on 09.04.2019, was also set out in the memorandum. The following key points refer:

- The grant allocation fell year on year by c€1.3m in real terms
- The grant was lower than forecast by c€3.8m with Trinity's share continuing to fall (from 17.3% to 15.3% over 10 years)
- The research top-slice increased to 10%, benefitting the University
- Callover of last meeting in May 2017
- BBM budgets may be adjusted to accommodate pay agreement shortfalls
- A Section 37 letter may be issued to the HEA in June 2019
- The HEA advised that the Employee Control Framework still applies

The Committee also noted the record of the subsequent Annual Budget and Accountability Meeting of 15.04.2019 as circulated.

FN/18-19/122 Control Exception Report

The Committee noted the bi-annual Control Exception Report for the period to May 2019 from the Deputy CFO as circulated, and the exceptions occurring in the reporting period along with updates on the progress to address external audit recommendations. In accordance with normal practice, the Control Exception Report will be circulated to the Faculty Deans for Heads of School



and also to the Chief Operating Officer and Vice Provost/Chief Academic Officer for circulation within CSD and ASD respectively.

Action:

122.1 The Control Exception Report to be circulated to the Faculty Deans (for Heads of School) and also to the Chief Operating Officer and Vice Provost/Chief Academic Officer for circulation within CSD and ASD respectively.

FN/18-19/123 Treasury Management Update

In accordance with the Treasury Management Policy, the Committee noted the circulated memorandum and accompanying appendices from the Project Appraisal Manager dated 10.06.2019, setting out an update for the first half of the financial year from 01.10.2018 to 31.03.2019 along with comparative data for the previous financial year across the following headings:

- Current deposits, credit ratings and credit limits
- Average deposit rates and monthly cash balances
- Bank of Ireland negative interest charges on current accounts
- EIB Loan No. 1
- EIB Loan No. 2
- EIB Loan No. 3
- Commercial borrowing
- L & G Loan
- Obligations under Finance Lease
- EIB Financial covenants, borrowing capacity & HEA considerations
- Bank Overdraft

The Committee noted the information provided in relation to a new commercial loan and the loan facility available from the Housing Finance Agency in relation to the Printing House Square development. An updated report on the third quarter of the financial year 2018/19 will come forward for consideration in Michaelmas Term 2019.



Action:

- 123.1** An updated report on the third quarter of the 2018/19 financial year to come forward for consideration in Michaelmas Term 2019.

FN/18-19/124 Minutes of FIS Transition Programme Steering Group

The Committee noted the circulated memorandum from the Interim CFO dated 31.05.2019 along with the draft minutes of the FIS Transition Project Steering Group of 29.04.2019, which included the following items:

- Minutes of the Transition Programme Steering Group meeting of 28.01.2019
- FIS Transition Programme Update
- FIS Oversight Group Update

**FN/18-19/125 Related Entity Financial Reporting
XX**

The Committee noted the circulated memorandum from the Interim CFO dated 31.05.2019 and recommended the Directors' Report and audited Financial Statements of The Lir (National Academy of Dramatic Art at Trinity College) for the year ended 30.09.2018, to Board for noting.

Action:

- 125.1** The Directors' Report and audited Financial Statements of The Lir for the year ended 30.09.2018 to be forwarded to Board for noting.

FN/18-19/126 Finance Committee Meeting Dates and Draft Schedule 2019/20

The memorandum from the Interim CFO dated 31.05.2019, setting out the schedule of Finance Committee Meetings for 2019/20, along with detail of the proposed agenda items for each meeting, was approved as circulated.



The Provost, on behalf of the Committee, thanked Shane De Rís, outgoing President of the Students Union and Oisín Vince Coulter, outgoing President of the Graduate Students Union. He also thanked the outgoing Vice Provost, Professor Chris Morash, and the Dean of FEMS, Professor Vinny Cahill, for their contribution during their term as Finance Committee members.

Lastly, he thanked Ms. Caroline Curtis at her final meeting having served for 6 years as a member of the Finance Committee. He noted her commitment over such an extended period and the benefits that her commercial experience and insight had brought to the work of the Committee. Ms. Curtis responded to the Provost's remarks and thanked the University for the opportunity to serve as an external member of the Finance Committee.

The Committee noted the next Finance Committee meeting is scheduled for **1st October 2019** at 10.00am in the Provost's Library.

PROVOST.....

DATE.....