

**THE UNIVERSITY OF DUBLIN
TRINITY COLLEGE**

CONFIDENTIAL

The Minutes of the Finance Committee Meeting of 7 January 2004

PRESENT: The Provost (in the Chair), the Bursar, the Registrar, the Dean of Arts (Letters), the Dean of Health Sciences, Mr. P. McCabe, Professor C. Williams, Dr. L. Doyle, the Treasurer (Secretary of the Finance Committee)

OBSERVERS: The Senior Lecturer, Professor M. Marsh, Miss A. Gatling, Professor E. McCabe, Professor M. O'Moore, Mr. M. Dowling, the Secretary

IN ATTENDANCE: Deputy Treasurer

APOLOGIES: Dr. A. Ni Chasaide, the Vice Provost

The Minutes of the Meeting of 3 December 2003 were approved and signed.

2004/44 Recurrent Income and Expenditure Estimates - 2004
XX (Minute 2004/32 of 03.12.2003 refers)

The Committee had been circulated with correspondence dated 01.12.2003 from TCD to the HEA raising issues in connection with the Recurrent Grant allocation for 2004 as notified on 26.11.2003. The Committee noted the HEA's response dated 17 December 2003 which provided reconciliation of the 2004 allocation with the 2003 core grant but was unable to provide confirmations regarding funding of potential liabilities associated with the protection of Employees (Part-time Work) Act 2001, requested submission of details of expenditure associated with the Edward Kennedy Chair in Health Services Management and was unable to provide clarification regarding what circumstances might give rise to a retrospective alteration of the 2004 allocations or might lead to the redistribution of funding allocations for 2005 and later years.

The Provost and Treasurer briefed the Committee on a meeting, which had been held with the HEA on 18.12.2003 regarding the financial implications of the 2004 grant allocation and its consequences for later years. Correspondence from the College to the HEA dated 05.01.2004 outlining the points made at the meeting was tabled and the Committee noted that significant work would be required for the next number of months to ensure that the financial position of the College and sector was fully understood by all the stakeholders and would include further meetings with the HEA, Department of Education and Government. The Finance Committee was informed that no further information had come to hand regarding timing, content, or consultant associated with the external review to be carried out across the University Sector. The Committee noted that detailed estimates would be brought forward for a meeting early in February 2004.

2004/45 **Annual Financial Statements for the year ended 30.09.2003**
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The Financial Statements for the year to 30.09.2003 and a separate volume of Additional Financial Information, which had been circulated, were considered by the Finance Committee prior to submission to the Board for its first meeting in Hilary Term 2004. The Treasurer made a presentation in relation to the Financial Statements outlining:

- Background to the format of the Financial Statements
- Review of accounting policies and the legislative environment
- Outcomes of the Audit
- Reporting requirements under corporate governance
- Capital activities during 2002/2003 with identification of capital related financial risks
- Summary of research activity along with research related financial risks
- Income and expenditure highlights along with identification of ongoing financial risks
- Matters which need to be constantly reviewed from a risk perspective
- Five pivotal questions (previously considered in the context of 2000/01 Financial Statements) with ongoing relevance to College which need to be addressed in the context of the 'Agenda for Change'.

The Treasurer clarified a number of issues raised during discussion. The Committee noted that the Financial Statements as presented had been fully audited and presented to the Audit Committee and it was expected that when the Accounts were presented to Board that an unqualified audit opinion would be forthcoming. The Finance Committee endorsed the Financial Statements and Additional Financial Information for the year ended 30.09.2003 as presented along with the proposed Letter of Representation for sign off by Board.

Arising from discussions the Committee requested that the Director of Sport be invited to submit a paper to the Finance Committee outlining plans and actions intended to ensure self financing delivery of recurrent costs associated with the Sports Centre as required by the HEA, the delivery of which has already been confirmed to the HEA.

2004/46 **Annual Analysis of Recurrent Expenditure and Research Accounts for the year**
XX **ended 30.09.2003**

The Committee reviewed the volume which is prepared as a supplement to the Financial Statements. This document provides extensive additional information on expenditure in academic faculties and departments and also gives details of all individual research accounts by faculty and department. The Committee approved the volume for submission to Board.

2004/47 **Statistics on Research Accounts**

The Committee received and accepted a memorandum and supporting schedules dated 17.12.2003 from the Research Accounting Manager, Ms D. Savage, setting out the statistical information in relation to Research Account activities during the year to 30.09.2003. Important trends were highlighted by the Treasurer. The Committee welcomed these schedules, which provided further useful information, which can be extensively used by a number of sources within the College.

The Committee recorded its thanks to the Research Accounting Manager for the very detailed information provided in terms of the Annual Analysis of Research Accounts and the related statistics.

2004/48 **Ghala Limited**
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The Committee accepted the Financial Statements for Ghala Limited for the year ended 30.09.2003. The Committee noted the activity carried out by Ghala and requested that the Financial Statements be forwarded to Board for noting.

2004/49 **DMMC – Annual Report**
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Dean of Research attended for this item.

A first annual shareholder report prepared by the Directorate of the Dublin Molecular Medicine Centre (DMMC) from the date of its inception to 30 September 2003 had been circulated to the Committee for consideration and discussion. The College Secretary, as one of the College's nominated directors, made a presentation to the Committee outlining the background to the set up of the DMMC, its strategic objectives, the involvement of principal investigators from UCD, TCD and RCSI, the initiatives undertaken in education and learning and above all the facilitation of the development of new research clusters and consortia. The Committee noted that at present all research activity is currently processed through the institution to which the PI is affiliated with the DMMC fulfilling the objectives as outlined above. The Committee noted the current intellectual property arrangements arising from which the IP and income arising therefrom remains with the host institution. The Directorate budget for 2004 to 2007 was reviewed and the Committee noted the importance of underpinning the long-term sustainability of DMMC through the provision of stable long term funding of core Directorate costs.

Following a long discussion during which the importance and the flagship nature of this cross-institutional research project was acknowledged, the Committee:

- Noted the pivotal role of Professor D. Kelleher in bringing this very important initiative to fruition
- Recommends to the Board that there should be no dilution or change in the shareholding arrangements of DMMC without specific consideration of any future proposal by the College.
- Requested the College Secretary to develop policies in relation to College nominated directors' obligations and range of skills that are required in light of the conflict of interest which may arise between the two entities and where a director's first legal obligation is to the outside entity. The Committee recommends that these policies be approved during 2003/2004.
- Requests that discussions be commenced by the shareholders (UCD and TCD) with the DMMC regarding plans/proposals which might be brought forward in order to secure the sustainability of the DMMC in the long term.

The Committee expressed its appreciation to the College Secretary for a very helpful presentation.

2004/50 **High Performance Computing (HPC)**

A memorandum dated 17.12.2003 from Professor J. Sexton, Director of the Centre for High Performance Computing had been circulated. The Committee noted that Executive Officers had requested a group chaired by the Bursar to review, with various parties, matters causing difficulties for the operation of HPC which if left unresolved might give rise to financial risks to the College. The Committee deferred detailed consideration of the memorandum pending the outcome of the deliberations of the Group.

2004/51 Travel and Subsistence Rates for Ireland and Abroad 2004

The Committee noted and approved a memorandum from the Research Accounting Manager dated 17.12.2003 and the attached booklet setting out travel and subsistence rates for Ireland and abroad for application commencing on 1.12.2003. The Committee noted that it was intended to circulate the booklet to Heads of Department and in addition make it available on the College website to all interested parties following approval by Finance Committee.

2004/52 External Examiner

The Committee noted and approved a memorandum from Ms A Anderson dated 12.12.2003 setting out the Deans Committee recommendation that two new external examiner appointments be established serving the Bachelor programmes in Law and French and Law and German with effect from the academic year 2003/04.

2004/53 Residential Management Committee

The Committee accepted a memorandum from the Director of Accommodation & Catering dated 28.11.2003 proposing the setting up of a Residential Management Committee but requested the Residences Committee to consider the proposed membership at its next meeting and if unhappy with that proposal, bring forward a recommendation at the earliest possible date, preferably in time for the next Finance Committee Meeting. It was pointed out that there will also be two User Groups reporting to this Committee and that these might be the more appropriate fora in which to raise issues of an operational nature as one of the primary purposes of the Committee was to oversee the financial management of residences.

2004/54 Prompt Payments of Accounts Act, 1997 (2002/2003)
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The Committee noted the unqualified audit report from KPMG pursuant to Section 13 of the Prompt Payments of Accounts Act, 1997 as amended by the European Communities (Late Payment in Commercial Transactions) Regulations 2002.

2004/55 House Loan

The Committee approved the house purchase loan application as circulated.

2004/56 Annual Report

The Committee noted that the Business & Industry Committee annual report was not yet available due to resource issues in the Research and Innovations Office.

The Treasurer indicated to the Committee her appreciation to the Deputy Treasurer and the Treasurer's Office team for the commitment given to the timely delivery of the audited annual financial reports (and supporting documentation) within the tight reporting timescales.

The next meeting of the Finance Committee has been arranged for 4 February 2004 at 2.30 p.m., in the Board Room.

PROVOST.....

DATE.....