



**The Minutes of the Finance Committee Meeting of 25th May 2010**

**PRESENT:** Provost (in the Chair), Registrar, Professor D. Singleton, Interim Chief Operating Officer, Mr. Cónán O'Broin, Treasurer – Secretary of the Committee

**IN**

**ATTENDANCE:** Research Accounting Manager

**APOLOGIES:** Vice-Provost/Chief Academic Officer, Bursar, Professor M. Marsh, Ms P. Murphy

The Minutes of the Meeting of 10th May 2010 were approved and signed.

The Committee considered the status of the Action List as at May 2010 and noted the update from the Interim Chief Operating Officer in relation to the High Performance Computing Service.

**Section A**

**FN/09 – 10/73 Treasury Policy**

The Financial Planning Manager attended for this item.

Following a recent Audit Committee recommendation, the Committee considered the circulated memorandum dated 18.05.2010 from the Financial Planning Manager and accompanying Treasury Management Policy, which set out the background to treasury management in College, the statement of objectives and the proposed new treasury policy provisions. The Committee noted the financial impact of the new policy and how the treasury risk will be addressed going forward.

The Committee recommended the Treasury Management Policy (attached to the minutes of the meeting) for approval by Board.

**Action:**

**73.1** The Treasurer to forward the Treasury Management Policy to Board for approval.

**Section B**

**FN/09 – 10/74 Consolidated Financial Statements for years ending 2005/06, 2006/07, 2007/08**

(Minute FN/09-10/19 of 04.11.2009 refers)

The Financial Resources Manager attended for this item.

The Committee had been circulated with:

- (a) Memorandum from the Financial Resources Manager dated 18.05.2010
- (b) Draft Consolidated Financial Statements and Draft Letters of Representation to KPMG and the Comptroller & Auditor General (C&AG) for the years ending 2005/06, 2006/07, 2007/08
- (c) KPMG Report on the Audit of the Consolidated Financial Statements

By way of presentation, the Treasurer outlined the College's financial reporting requirements, audit status, overall financial position, pension matters, risks and, for the first time, the inclusion of a statement of internal control in accordance with the Code of Governance for Irish Universities. The Committee were advised that, whilst the C&AG are expected to issue an unqualified audit opinion, the Board appointed external auditors KPMG are expected to issue a qualified audit opinion in relation to the recognition of a pension asset in the balance sheet. In accordance with the Audit Committee recommendation (and in line with past practice), the Treasurer advised that an explanatory note would accompany the Consolidated Financial Statements to clarify the basis for dual reporting (funding statements and consolidated financial statements) and the reasons for the delay in finalising the Consolidated Financial Statements and the different audit opinions expressed by KPMG and the C&AG. The Committee noted however that there were no adjusted or unadjusted audit differences and no material control weaknesses identified by the external auditors.

Having considered the consolidated financial statements, the draft letter of representation to KPMG and the proposed amendment to the draft letter of representation to the C&AG, the Committee thanked the Treasurer and his team for their role in finalising the statements and recommended that they be forwarded to Board for approval.

**Action:**

**74.1** The Treasurer to forward the Consolidated Financial Statements and Draft Letters of Representation (as amended) to Board for approval.

**FN/09 – 10/75 CRANN**

The Director and Executive Director of CRANN attended for this item.

In accordance with the Guidelines for the financial management of Trinity Research Institutes (TRIs) approved by the Finance Committee in June 2007 (where TRIs are required to report to the Committee on a bi-annual basis), the Committee considered the circulated report and the verbal presentation by the Director and the Executive Director of CRANN which highlighted the current financial position including a financial risk analysis under the categories of Operational Costs/Sustainability, Capital Infrastructure, Internal Funding Streams and Funding Diversity. The Committee noted that CRANN is committed to developing a sustainability plan which will highlight the need for strategic funding from the College in order to maintain CRANN's TRI flagship status. The Committee, noting that there were no financial issues at present, acknowledged that matters of financial sustainability are currently under consideration by the Planning Group and invited the Director and/or Executive Director of CRANN to update the Committee in Michaelmas Term 2010.

**Action:**

**75.1** CRANN to update the Finance Committee in Michaelmas Term 2010.

**FN/09 – 10/76 Long Room Hub**

The Academic Director and Executive Director of the Long Room Hub attended for this item.

In accordance with the Guidelines for the Financial Management of Trinity Research Institutes (TRIs) approved by the Finance Committee in June 2007 (where TRIs are required to report to the Committee on a bi-annual basis), the Academic and Executive Directors of the Long Room Hub attended the Finance Committee meeting for the first time. The Committee considered the circulated memorandum dated 19.05.2010 and documentation from the Academic Director who, by way of presentation, provided an overview of the aims and workings of the Long Room Hub as well as outlining the current financial position and forward projections (which included the issue of future financial sustainability). The Committee noted that, while currently operating within budget, future funding for the Long Room Hub is currently under consideration by the Planning Group.

The Committee invited the Directors of the Long Room Hub to update the Finance Committee in Michaelmas Term 2010.

**Action:**

**76.1** The Long Room Hub to update the Finance Committee in Michaelmas Term 2010.

**FN/09 – 10/77 Science Gallery**

(Minute FN/09-10/25 of 16.12.2009 refers)

The Director of the Science Gallery attended for this item.

In reviewing the financial status of the Science Gallery which was set out in the circulated memorandum dated 17.05.2010, the Committee considered both the original and reforecasted budget for the financial year 2009/10 and noted that the Gallery anticipated a break even outcome at the end of the financial year. In terms of forward planning, the Committee also noted that the Gallery was in the process of developing a broad spectrum of future revenue streams including the need to replace the financial support received from a founding patron. The Committee acknowledged the significant ongoing efforts made by the Science Gallery in aiming to achieve financial stability and the contribution to the reputation and profile of the College through its activities to date.

The Committee invited the Director to provide an update on the Gallery's finances in Michaelmas Term 2010.

**Action:**

**77.1** The Director of the Science Gallery to provide an update on the Gallery's finances to the Committee in Michaelmas Term 2010

**FN/09 – 10/78 Finance Committee Evaluation/Self-Assessment**

(Minute FN/09-10/59 of 24.02.2010 refers)

The Committee considered the outcome of the evaluation process (in accordance with the terms of reference of the Finance Committee) which was circulated by the College Secretary by way of memorandum dated 25.05.2010. In noting the number of responses received, the Committee considered the summary findings and key issues arising under the following main headings:

- (a) Organisation
- (b) Agenda Setting and Oversight of Financial Issues and Reporting
- (c) Oversight of Financial Management
- (d) Scope for Improvement
- (e) Overall Evaluation

Following a brief discussion of the outcome of the evaluation process, the Committee acknowledged that, in overall terms, the results/responses were very positive and the process had revealed that the Committee carries out its business effectively within its terms of reference.

The Provost, on behalf of the Committee, expressed his appreciation to the College Secretary for collating the responses and providing a clear analysis of the outcomes of the self-evaluation process for the Finance Committee.

**Section C**

**FN/09 – 10/79 Quarterly Accounts to 31 March 2010**

The Committee was circulated with a memorandum dated 18.05.2010 from the Financial Accountant and the Deputy Research Accounting Manager along with Quarterly Account schedules for the period to 31.03.2010. The Committee noted the movements, levels and trends in reserves/balances in the area of Capital Projects, Academic Faculties, Administrative and Other Area Non-Pay Budgets, Service Department, Subsidiary Activities, the Strategic Initiative Fund and Research Accounts.

The Committee noted in particular the decrease in the level and value of new research accounts opened in the year to 31 March 2010 and that the Planning Group are currently considering the potential impact on College's income levels in future years.

**FN/09 – 10/80 HEA Annual Accountability and Budget Meeting**

The Committee noted the circulated memorandum from the Financial Resources Manager dated 11.05.2010, which outlined the topics discussed at a meeting with the HEA on 29<sup>th</sup> April 2010 and included the following:

- Strategic Plan
- Development Control Plan
- Research Activity
- Financial Position in relation to 2008/09 (actual) and 2009/10 (anticipated)
- Employment Matters
- Position of the Shared Service initiatives
- Status of collaborative procurement
- College statutory requirements

**FN/09 – 10/81 Control Exception Report**

The Committee reviewed the memorandum from the Finance Operations Manager dated 18.05.2010 and accompanying bi-annual Control Exception Report which highlighted procedural breakdowns in the six month period to May 2010 and also included an update in respect of internal and external audit report recommendations. The Committee requested that the Control Exception Report be circulated to the Faculty Deans for Heads of School and circulated to the interim Chief Operating Officer for Heads of Service and Support areas.

**Action:**

- 81.1** The Control Exception Report to be circulated to the Faculty Deans for Heads of School and to the interim Chief Operating Officer for Heads of Service and Support areas.

**FN/09 – 10/82 Treasurer's Office Strategic and Operational Risks Update**

The Committee noted the circulated memorandum dated 18.05.2010 from the Financial Planning Manager that set out a mid-year update of the Treasurer's Office Risk Assessment and which included a number of medium and high risks already incorporated in the College's current Risk Register.

**FN/09 – 10/83 Student Service Charge**

The Committee considered the circulated memorandum and accompanying supporting documentation from the Financial Resources Manager dated 18.05.2010 with regard to the Student Service Charge (previously considered by the Student Services Committee). The Committee noted the request of the President of the Student's Union whereby the impact of any future increase in the student charge (and related expenditure) would be considered in detail by the Student Services Charge Consultative Group.

**FN/09 – 10/84 Stafford Loan Programme – Auditors Report 2008/2009**

The Committee noted the memorandum from the Financial Planning Manager and the associated unqualified opinion issued by the Auditors for the year ended 30 September 2009 in relation to the College's compliance with the Federal Family Education Loan Program (Stafford Loan Program).

**FN/09 – 10/85 Minutes of Sub-committees**

- (a) The Committee noted the circulated memorandum from the Financial Resources Manager dated 12.05.2010 which satisfied the oversight role of the Investment Committee for the quarter ending March 2010.
- (b) The Committee noted and approved the minutes of the FECP Steering Group Meeting of 05.05.2010 as circulated.

**FN/09 – 10/86 Finance Committee Meeting Schedule: 2010/2011**

The Committee noted and approved the schedule of meetings for 2010/2011 as set out in the circulated memorandum from the Treasurer dated 18.05.2009.

The Provost, on behalf of the Committee, thanked Mr Cónán O’Broin, President of the Student’s Union for his constructive contribution to the Finance Committee meetings during his term.

The next meeting of the Finance Committee has been arranged for 22 September 2010 at 2.30p.m. in the Board Room.

PROVOST.....

DATE.....