

Minutes of Finance & Capital Investment Committee meeting

Date: Thursday, 13 February 2025
Time: 3.30pm

Location: Boardroom, Haughton Building SETU Carlow Campus

Chairperson: Professor Patrick Prendergast

Attendees: Professor Veronica Campbell
 Dr Frances Hardiman
 Ms Carol Lynch
 Mr Patrick McCormack
 Dr Helen Murphy
 Mr Cormac O'Toole, VP Finance/Financial Controller

Apologies: Ms Elaine Sheridan, VP Governance/University Secretary
 Ms Louise Grubb
 Mr Mark Dunne
 Ms Louise Walsh
 Mr Alan Quirke

In attendance for Agenda Item 2a.
 Mr Brian Stenson, Finance Manager
 Ms Cristíona Innseadúin, Finance Manager
 Ms Eleanor Rea, Finance Manager

Secretariat: Ms Mary Clare Coogan

Item Title	
1.	<p><u>Chairperson's Welcome:</u></p> <p>a. <u>Chairperson's opening:</u> NOTED The Chairperson welcomed members to the meeting, and confirming the meeting was quorate he commenced the business of the meeting. The Board were advised that Ms Elaine Sheridan, VP Governance was currently engaged in the Audit & Risk Committee meeting, which is happening in parallel with this meeting. However, she will be in attendance for the joint meeting later at 4.30pm</p> <p>b. <u>Conflict of Interest Declaration:</u> NOTED The Chairperson asked members if they had any conflicts to declare, particularly associated with items on the agenda. No member present declared a conflict for this meeting.</p> <p>c. <u>Approval of minutes: 18 December 2024:</u> AGREED To approve the minutes of 18 December 2024 and publish on the website.</p>

d. Matters arising:
NOTED Dr H. Murphy referred to the discussion that taken place at the last meeting in relation to the Financial Statements where the VP Finance confirmed that a Management Letter would be issued in early 2025. Since Dr Murphy was not present at the meeting, she sought clarification on this. The VP Finance advised that a draft Management Letter was received by the University just yesterday. However, there are some clarifications that need to be made with the external auditors before it can be finalised. Once those clarifications are addressed, the letter will be circulated to the committee.

ACTION Management Letter to be placed on the agenda for the next meeting.

e. Action Log:
NOTED Items 4, 5, 7 and 9 of the Action Log were complete. Items 2, 3, 6 and 8 were in progress, and an update was provided regarding Item 1. The VP Finance confirmed that initial discussions had taken place with the Higher Education Authority (HEA) and the Comptroller & Auditor General (C&AG) about the possibility of the University appointing an external auditor in addition to the C&AG. A discussion took place with regard to the benefits to the University having its own independent external auditor in addition to the C&AG, what steps would be involved in appointing an external auditor, and what the timeline was likely to be. The VP Finance suggested that perhaps the University would go to tender in August of this year for next year's audit. The Finance & Capital Investment Committee will be kept updated on any further developments.

Regarding Item 6, the President advised that a consultant has been appointed to review the activities of Novus. This review is currently in progress, and it is anticipated that an interim report will be available for the next meeting of the Finance & Capital Investment Committee.

With regard to Item 7, following circulation of the list of shareholders for Supplement Certified, a query was raised as to the identity of 'Nutrition Research Centre Ireland SETU'. It was agreed that clarification to be sought on this.

2. Committee matters:

a. Draft Annual Financial Statements for the period ending 31 August 2024:
NOTED The VP Finance welcomed to the meeting, and introduced the University's three Finance Managers - Mr Brian Stenson, Ms Eleanor Rea and Ms Cristíona Innseadúin who have committed a significant amount of effort under extremely challenging times, to produce Financial Statements for the 12-month period ended 31 August 2024.

The VP Finance provided a slide-deck presentation on the Financial Statements, detailing the approval process and timelines associated with their preparation as follows:

- Presented to Executive Management Team - 12 February 2025
- Review by Finance & Capital Investment Committee - 13 February 2025
- Review by Audit & Risk Committee - 13 February 2025
- Approval by Governing Body to submit to C&AG - 25 February 2025

Upon completion of the audit, the Financial Statements will be submitted to Governing Body for final approval.

The presentation highlighted some points to note in the Financial Statements which included:

- The comparator period used covers 16 months from 1/5/2022 to 31/8/2023, therefore making comparisons more difficult.
- Overall exceptional financial result due to a number of factors.
- A comparison on the Budgeted figures to the actual figures achieved for the 12-month period.
- Potential areas for investment.

A comprehensive and detailed discussion took place, during which committee members raised questions and sought clarification on multiple aspects of the Financial Statements. The high payroll costs and the financial

impact of delays in the recruitment processed were discussed. The President noted that the University is currently developing a recruitment strategy aimed at streamlining the process. Additionally, efforts are underway to establish a strategic marketing approach for staff recruitment.

The committee felt it would be helpful if an explanatory table, outlining the different funding sources for the University as outlined in Note 3 of the Financial Statements be circulated. Some minor amendments on the notes to the Financial Statements were suggested and agreed, to enhance clarity for committee members. Reference was made to the "Annual Report and Financial Statements" paragraph on the last page of the Corporate Governance Statement, and it was agreed that this narrative be revised to read: *"The Governing Body, on the recommendation of the Finance & Capital Investment Committee and the Audit & Risk Committee..."* These amendments will be implemented before submission to the Governing Body for approval.

A query was raised regarding whether the University produces a report on monthly management accounts compared to the Budget, as it was believed this could be beneficial. The VP Finance informed the committee that the University is required to submit quarterly returns to the HEA, and he suggested that these be presented to the committee going forward to provide a clearer overview.

In closing the discussion, the Chairperson expressed appreciation for the significant effort contributed by everyone involved in preparing the Financial Statements.

ACTION Explanatory table outlining the different funding sources for the University to be circulated to the committee.

AGREED To recommend to the Governing Body that they approve the Financial Statements for the period ending 31 August 2024 for submission to the C&AG for audit.

b. Draft RTE Lease renewal:

NOTED The VP Finance outlined that approval was being sought from the Finance & Capital Investment Committee to renew the University's current Lease with RTE for a term of 5 years from 1 September 2024 to 31 August 2029. He confirmed that legal due diligence had been completed on this matter.

AGREED To approve SETU to renew its current lease with RTE for a term of 5 years as outlined above.