

Finance Committee MINUTES | PART A  
 26 February 2025  
 HYBRID | Council Meeting Room and via Zoom  
 8 am to 10 am



**Present:** Rob McDonald (Chair), Cecilia Tarrant, Cathy Quinn, John Paitai, Gemma Skipper, Professor Julia Tolmie, and FaAfuha Fia

**In Attendance:** Tim Bluett, Helen Cattnach, Cameron Thomas, David Jordan, Patricia Yap and Ruwani Dharmawardana

<p><b>1. Apologies</b></p>	<p>Apologies for absence were received from Professor Dawn Freshwater and J Arnott-Neenee.</p>	
<p><b>2. Disclosures of Interest</b></p>	<p>The attention of Members was drawn to the Conflicts of Interest Policy and the need to disclose any interest in an item on the agenda of the meeting as set out in Schedule 11, Clause 8 of the Education and Training Act 2020.</p> <p>No further disclosures were made.</p>	
<p><b>3. Minutes of Finance Committee of 20.11.2024</b></p>	<p><b>Item No 3.1: Minutes, Part A 20.11.2024</b></p> <p><b>Item No 3.2:</b> Matters Arising from the Minutes, Part A, not elsewhere on the agenda.</p> <p>No matters were discussed that needed further attention, as part of the follow-up from the previous meeting.</p>	<p><b>RESOLVED (Chair   John Paitai)</b> that the Minutes, Part A, of the Finance Committee held on 20.11.2024 be taken as read and confirmed.</p>
<p><b>4. Other Matters for Decision or Noting</b></p>		

	University only		2024		
	2022 Actual	2023 Actual	2024 Actual	2024 Budget	var
<b>EFTS</b>					
Domestic	30,291	29,072	30,008	29,112	896
International	4,999	5,607	5,699	5,782	(83)
Other	537	658	896	549	347
	<b>35,827</b>	<b>35,337</b>	<b>36,603</b>	<b>35,443</b>	<b>1,160</b>
<b>TEACHING &amp; RESEARCH - \$m</b>					
TEC funding	380.8	375.2	424.0	413.3	10.7
Fees	382.2	411.8	432.2	434.5	(2.3)
PBRF/Other	118.8	123.0	132.4	118.9	13.6
	<b>881.8</b>	<b>910.0</b>	<b>988.6</b>	<b>966.7</b>	<b>21.9</b>
People Costs	327.1	348.5	373.2	371.8	(1.4)
Operating Costs	48.3	50.8	59.4	50.4	(9.0)
Depreciation	18.6	19.4	20.3	20.4	0.1
Contribution	<b>487.7</b>	<b>491.3</b>	<b>535.7</b>	<b>524.1</b>	<b>11.7</b>
<b>RESEARCH &amp; CONTRACTS</b>					
Research revenue	276.5	290.6	288.2	297.4	(9.3)
Research expenditure	230.0	250.3	253.5	252.8	(0.8)
Contribution	<b>46.5</b>	<b>40.3</b>	<b>34.6</b>	<b>44.7</b>	<b>(10.0)</b>
<b>OTHER OPERATING ACTIVITIES</b>					
Revenue	161.9	197.2	207.4	201.5	5.8
People costs and opex	434.0	538.9	566.7	554.8	(11.8)
Depreciation	176.8	178.3	185.7	182.4	(3.4)
Other contribution	<b>(448.9)</b>	<b>(520.0)</b>	<b>(545.0)</b>	<b>(535.7)</b>	<b>(9.4)</b>
Operating surplus	<b>85.3</b>	<b>11.7</b>	<b>25.3</b>	<b>33.1</b>	<b>(7.8)</b>
Surplus as % of revenue	<b>6.5%</b>	<b>0.8%</b>	<b>1.7%</b>	<b>2.3%</b>	

- The 2024 financial performance of the University was a product of strong enrolment and teaching revenue growth coupled with weakening research funding, residual inflation and rising costs.
- The surplus improved over 2023 but fell short of the budget.
- Domestic enrolments increased reflecting softening employment conditions and retention improvements, while International growth was lower but strongest among postgraduate taught.
- People costs increased as pay increases combined with falling vacancy levels, expanding activities and the impact of IT infrastructure projects on professional salaries.
- Operating costs, including software and infrastructural costs and depreciation, rise driven by residual inflation, high activity levels and the completion of major projects.
- Operating cashflows grew with the surplus and a favourable year end net cash position resulted. TEC risk ratios remain sound in the low-risk range

**5. Leave of Absence** No leave of absence was received for the meeting scheduled for 19.05.2025

**6. Public Exclusions** The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered:

**Item No 7.1: Finance Committee Meeting 20 November 2024, Minutes Part B**

**Item No 7.2: Finance Committee Meeting 20 November 2024,**

**RESOLVED (Chair | Cathy Quinn)** that the public be excluded from Part B of this meeting AND THAT Mr Bluett, Ms Cattanach, Ms Moss, Mr Thomas, Ms Yap, Mr Jordan and Ms Dharmawardana be permitted to remain for this part of the meeting, after the public be excluded, because of their knowledge of the matters to be discussed.

This knowledge, which will be of assistance in relation to the matters to

	<p><b>Matters Arising from Minutes, Part B</b></p> <p><b>Item No 8.0: Treasury Management, Compliance and Cash Flow Report</b></p> <p><b>Item No. 9.0: Refinance of Facility A1</b></p> <p><b>Item No. 10.0: Treasury Cash Management</b></p> <p><b>Item No. 11.0: Financial Performance 2024</b></p> <p>Reason for passing this resolution in relation to each matter: The protection of the interests mentioned below.</p> <p>Grounds under section 48(1) for the passing of this resolution: Those in Section 9 of the Official Information Act 1982 namely:</p> <ul style="list-style-type: none"> <li>i) To protect the privacy of the persons referred to in the recommendations and to maintain the confidentiality of those recommendations; and</li> <li>ii) To enable the University to carry on without prejudice or disadvantage negotiations; and</li> <li>iii) To prevent the disclosure or use of Official Information for improper gain or advantage.</li> </ul>	<p>be discussed, is relevant to those matters because they relate to aspects of the administration of the University of Auckland for which those persons are responsible.</p>
<p><b>The meeting moved into a Public Excluded session at 08.05 am.</b></p> <p><b>The meeting closed at 9.03 am.</b></p> <p><b>Approved as a true and correct record.</b></p> <p><b>Rob McDonald, Chair</b></p> <p><b>Date:</b></p>		