Present: Rob McDonald (Chair), Cecilia Tarrant, Cathy Quinn, Professor Dawn Freshwater, John Paitai, Professor Jennifer Curtin, Catherine Dunphy and Junyi (Johnny) Wang

In Attendance: Adrienne Cleland, Tim Bluett, Helen Cattanach, Mudasir Matto and Jacqui Metcalf

| 1. Apologies | No apologies were noted. |
| 2. Disclosures of Interest | No further disclosures were made. |
| 3. Minutes of Finance Committee of 23 November 2021 | Item No 3.1: Minutes, Part A  
Item No 3.2: Matters Arising from the Minutes, Part A, not elsewhere on the agenda.  
RESOLVED (Rob McDonald | Cathy Quinn) that the Minutes, Part A, of the Finance Committee held on 23 November 2021 be taken as read and confirmed. |
| 4. Other Matters for Decision or Noting | Committee Responsibilities and Processes  
This paper was noted. |

Other Matters for Decisions or Noting

The following section has been approved for insertion in Part A of the minutes. It contains the Financial Performance for 2021 highlights to the Finance Committee.
1.0 Financial Highlights

The 2021 financial year is defined by a historic high in total student enrolments, which drives a significantly improved outcome compared to budget. The budget was set in the early stages of the pandemic and anticipated the situation would only worsen. The very unusual circumstances of border closures and lockdown related savings in the face of record enrolments have contributed to a significantly positive outcome for 2021.

This has placed the University in a good position to begin the 2022 financial year allowing flexibility to better mitigate emergent risks and harness opportunities on its pathway to business recovery targets of 2023.

The graph shows the main movements between budget and actual results. An operating surplus of $75.5m or 5.7% of revenue was achieved. This largely reflects significant student enrolments, TEC and fee revenue combined with border control or lockdown related operational savings that more than offsets incremental Covid-19 mitigation initiatives or losses.

The cash effect of the increased revenue and delays to capital spend has had a positive effect on cashflows however, much of the delays in capital spend will impact 2022. Supply chain interruptions and labour resources are attracting higher costs than originally anticipated and pose an additional financial risk.

Student Revenues

Student enrolments and, consequently, revenue have played the most significant part in exceeding budget expectations. TEC revenue, domestic and international fees and other student related revenues combined to contribute $87.7m.

Student EFTS were up by 9.7% on 2020, with strong growth in the pipeline from school leavers and 24% growth in postgraduate taught programmes. The focus on retaining international students and gaining new students from initiatives like the China Learning Centre has exceeded expectations, and it is estimated that 41% of international students are offshore.

Operating Savings

Teaching and research people costs fall well short of budget, with this resulting from a combination of savings made with an eye to meeting future business recovery targets and difficulty in recruiting staff due to the border closures. Utilities, cleaning, security and associated property costs combined to deliver material savings. In addition to border closures affecting the ability of staff to travel, supply chains were also impacted, bringing the total operational cost savings to $41.7m.

Covid-19 Specific Impacts

Some of the positive initiatives that drove the increased student revenues had associated unbudgeted costs.

- Student accommodation revenue suffered from the absence of internationals on campus and the lockdown rent rebates offered.
- China Learning Centre, which continue to be effective and popular, however, came at a cost.
- Additional costs were incurred to support students adversely affected or to encourage retention of enrolments.

Research revenue was deferred by $10.8m, responding to the disruption of being locked out of critical research lab environments. Short term strategic and tactical initiatives have been commenced and funded from existing 2021 budgets. These initiatives are led by Taumata Teitei and will help position the University well for 2022 and beyond.
5. Leave of Absence

No leave of absence was requested for the next meeting.

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:

RESOLVED ((Professor Jennifer Curtin | Catherine Dunphy) the public be excluded from Part B of this meeting AND THAT Mrs Cleland, Mr Bluett, Mr Matto, Mrs Cattanach and Mrs Metcalf 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.
<table>
<thead>
<tr>
<th>Item No 7.1:</th>
<th>Finance Committee Meeting 23 November 2021, Minutes Part B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item No 7.2:</td>
<td>Finance Committee Meeting 23 November 2021, Matters Arising from Minutes, Part B</td>
</tr>
<tr>
<td>Item No 8.0:</td>
<td>Financial Performance for 2021</td>
</tr>
<tr>
<td>Item No 9.0:</td>
<td>Treasury Management, Compliance and Cash Flow Report</td>
</tr>
</tbody>
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Reason for passing this resolution in relation to each matter:

The protection of the interests mentioned below.

Grounds under section 48(1) for the passing of this resolution:

Those in Section 9 of the Official Information Act 1982 namely:

- i) To protect the privacy of the persons referred to in the recommendations and to maintain the confidentiality of those recommendations;
- ii) To enable the University to carry on without prejudice or disadvantage negotiations; and
- iii) To prevent the disclosure or use of Official Information for improper gain or advantage.

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

The meeting moved into a Public Excluded Session at 10.35 am.
The meeting closed at 09.36 am.
Approved as a true and correct record.

Rob McDonald, Chair
Date: