Finance and Budget Committee



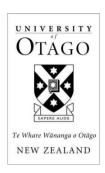
Venue - Committee Room North, First Floor, Clocktower Building

03 July 2024 03:00 PM - 04:30 PM

Agenda Topic	Presenter	Page
Part 1 - Open Committee		
 Minutes To confirm Part 1 of the Minutes of the meeting of the Finance and Budget Committee held on 18 	Confirmation 8 April 2024.	2
 Financial Review Report To receive the Part 1 Financial Review for the period ended 31 May 2024. 	Information	4
 Exclusion of the Public To approve a motion under Section 48 of the Local Government Official Information and Meeting 	Decision as Act 1987, that the public	22 be excluded
from the specified proceedings of this meeting.	,, ,	

4. Next Meeting

The Finance and Budget Committee is scheduled to meet next on 26 September 2024.



FINANCE AND BUDGET COMMITTEE

Minutes of a meeting of the Finance and Budget Committee

18 April 2024

Present Chancellor (Convener), Pro-Chancellor, Vice-Chancellor (Acting), Professor

R W Adler, Hon C E Curran and Mr M A Wong

Apologies Ms K L Wells

In attendance Mr B N Trott (Chief Financial Officer), the Registrar and Secretary to the

Council and the Deputy Secretary to the Council.

Part 1 - Open Committee

1. Minutes

Part 1 of the Minutes of the meeting of the Finance and Budget Committee held on 22 February 2024 were confirmed.

2. Exclusion of the Public

The Committee

APPROVED a motion under Section 48 of the Local Government Official Information

and Meetings Act 1987, that the public be excluded from the remaining parts of the proceedings of the meeting as appended to these minutes.

2. Exclusion of the Public

The Convener moved that the public be excluded from the whole of the proceeding of this meeting/the following parts of the proceedings of this meeting, namely, —

- Item 3 Part 2 Minutes of the Meeting of the Finance and Budget Committee held on 22 February 2024
- Item 4 Finance and Budget Committee Work Plan and Action Follow-Up Register
- Item 5 Strategic Risk Report
- Item 6 Proposed TEC Financial Monitoring Framework
- Item 7 Muli-year Forecasts
- Item 8 Convener's Business

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	Reason for passing this resolution	Ground under Section 48(1)(a) for the passing of this resolution
Items 3 - 8	Good reason for withholding	Section 48(1)(a)(ii)
Confidential Minutes	information under the Official	
and Reports	Information Act	

This resolution is made in reliance on Section 48(1)(a)(ii) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Sections 6,7 and/or 9 of the Official Information Act 1982 (except section 9(2)(g)(i)) as the case may require. The interests which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows:

Item 3	Part 2 Minutes of the Meeting of the Finance and	s9(2)(a), (i), (j) and (k)
	Budget Committee held on 22 February 2024	
Item 4	Finance and Budget Committee Work Plan and Action	s9(2)(i), and (k)
	Follow Up Register	
Item 5	Strategic Risk Report	s9(2)(i), and (k)
Item 6	Proposed TEC Financial Monitoring Framework	s9(2)(i), and (k)
Item 7	Multi-year Forecasts	s9(2)(i), and (k)
Item 8	Convener's Business	s9(2)(i), and (k)

AND THAT Mr B N Trott be permitted to remain at this meeting after the public has been excluded because of their knowledge of the matters to be discussed. This knowledge, which will be of assistance in relation to the matters to be discussed, is relevant to those matters because it relates to aspects of the administration of the University of Otago for which these people are responsible. The Registrar and Secretary and the Deputy Secretary to the Council are also permitted to remain at the meeting so as to provide advice and secretarial support.



FINANCIAL REVIEW - PART I

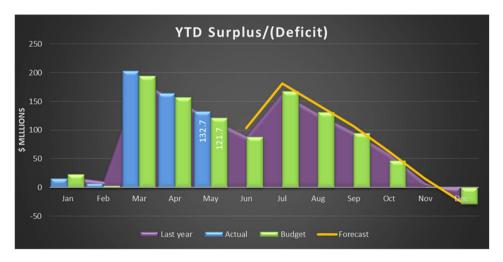
For the Period Ended 31 May 2024

Executive Summary

Council approved the 2024 budget at their November 2023 Council meeting. A full year budgeted deficit of \$28.9 million was approved.

The operating surplus for the period ended 31 May was \$132.7 million, which was \$11.0 million higher than the budgeted surplus of \$121.7 million. This favourable variance was largely related to lower than budgeted spend on consumables, scholarships, salaries and depreciation and earlier than budgeted drawdowns of trust funds, offset in part by unfavourable variances on student related income arising from unfavourable domestic enrolments offset by favourable international enrolments, unfavourable PBRF and finance costs.

Liquidity continues to be strong. Borrowing recommenced in April 2024, which, in conjunction with current cash reserves, ensures sufficient funds to meet expenditure on major projects over the coming months.



Tuition-related income is largely recognised in March and July at the time of first and second semester enrolments, rather than evenly throughout the year. This shows the impact of enrolment numbers as early as possible, allowing time for decisions to be made about the consequences of variances against income budgets. This phases the University surplus as shown in the graph above, with income being recognised early in the year.

Year to date surplus/(deficit) by function (\$ million):

Full Y		Year to	Date			
Last Year	Budget		Actual	Budget	Variance	Last Year
\$ m	\$ m		\$ m	\$ m	\$ m	\$ m
209.7	224.8	Teaching	222.8	217.4	5.4	205.1
6.7	3.7	Research	9.1	7.4	1.8	11.2
(2.2)	0.3	Commercial	(1.0)	0.2	(1.1)	(0.6)
5.3	1.1	Treasury	0.3	0.5	(0.1)	2.8
(241.2)	(258.8)	Administration	(98.6)	(103.7)	5.2	(97.9)
(21.6)	(28.9)		132.7	121.7	11.0	120.6

Forecast

The forecast deficit of \$24.2 million is \$4.7 million better than the budgeted 2024 deficit of \$28.9 million.

The budgeted 2024 deficit included a \$14.4 million budget gap of which \$11.4 million has now been achieved.

Forecasts are updated monthly to reflect known and forecast movements in income and expenditure items.

	\$ million
Council Approved 2024 Budget	(28.9)
Changes to Income	
Increase in Net Research Overhead and Surplus Transfers	1.2
Increase in net external commercial, donation & intellectual property income	0.6
Decrease in Performance Based Research Funding	(1.4)
Decrease in college fees and property rents	(2.3)
Decrease in student related income	(3.6)
Changes to Expenditure	
Partial release of severance provision in Corporate	5.0
Scholarships lower than forecast	2.4
Net Decrease in consumables, sub-contracted and occupancy costs	1.6
Decrease in depreciation due to 2023 building revaluation	1.4
Salary savings due to vacant staffing positions	0.3
Reduced ability to capitalise interest on borrowing	(0.5)
Current Forecast Deficit	(24.2)
\$3.0 million budget gap, still to be identified for 2024	

Divisional Operating Contribution Summary

	Year to date (\$ millions)			5
Academic Divisions	Actual	Budget	Variance	Commentary
Commerce	5.1	4.5	0.7	Favourable salaries and scholarships, offset in part by unfavourable consulting and commercial income.
Health Sciences	99.3	96.4	2.8	spent, earlier than budgeted drawdown from trusts and favourable consumables.
Humanities	12.6	14.5	(1.8)	Unfavourable variance on student related income and lower than expected MOE funding for Education Support Services.
Sciences	21.9	24.0	(2.1)	Unfavourable variance on student related income.
Total Academic Divisions	138.9	139.3	(0.5)	
Other Divisions				
Academic & Student Services	11.7	8.7		Favourable contract & commercial income (which will be offset with expenditure during the year) and favourable salary related costs due to vacant positions.
Campus & Collegiate Life Services	0.9	2.1		Unfavourable variance related to salaries, College and UniFlats occupancy and loss of UniCol summer conferencing income.
Committees	(11.7)	(15.7)	4.0	Favourable variances on scholarships and consumables.
External Engagement	1.8	0.6	1.3	Additional outreach activity income received offset, in part, with related unbudgeted expenditure
Corporate	(4.7)	(6.1)	1.4	Strategic funds budgeted, not yet allocated.
Financial Services	(0.0)	(0.1)	0.0	
Human Resources	0.2	0.0	0.2	
Information Technology Services	(15.7)	(14.5)	(1.3)	Unfavourable software maintenance costs.
Operations	6.3	6.3	0.0	
Capital Projects	(3.6)	(6.1)	2.6	Favourable timing related variances on IT related projects.
Property Services	1.7	0.8	0.9	Favourable variances on depreciation, consumables and salary costs.
Research	(0.1)	(0.1)	(0.0)	
Shared Services	7.6	6.9		Favourable salaries and unbudgeted internal grant funding for AskOtago initiative.
Vice Chancellor's Office	(0.6)	(0.4)	(0.1)	
Total Other Divisions	(6.1)	(17.6)	11.5	
Grand Total Surplus / (Deficit)	132.7	121.7	11.0	

Treasury

Investment Income

Net Investment income was close to budget.

Cash balance

Cash on hand was \$0.8 million lower than budget.

Operating cash flows were \$8.9m lower than budget, largely due to lower income from student and service fees and higher than budget payments to employees, offset in part by lower than budgeted payments to suppliers.

Net cash outflow from investing was \$64.0 million year to date. This was \$18.1 million lower than budget due to delayed expenditure on capital projects.

Net cash flows from financing activities was \$40.0 million year to date and \$30.8 million lower than budget due to delayed borrowing.

Capital

Total capital expenditure year to date was \$56.8 million. This was \$21.7 million less than budget.

Capital Projects

Major (project budget \$10 million plus) capital project variances were:

		Year to Date			Project Life to Date				
Project	Actual	Budget	Variance	Actual	Budget	% spent	Estimate at Completion	% complete	
	\$ m	\$ m	\$ m	\$ m	\$ m		\$ m		
Christchurch Campus Redevelopment	21.4	29.1	7.7	93.0	240.8	39%	253.6	37%	
CApSc Building Refurbishment	1.7	4.2	2.5	15.4	21.8	71%	21.7	71%	
Aquinas Extension	1.6	0.9	(0.7)	22.8	23.3	98%	23.5	95%	
Arana Seismic and Fire	1.9	4.5	2.6	3.7	14.9	25%	14.6	25%	
Strategic Space – Plaza and Otago Business School Buildings	3.6	4.7	1.1	7.7	10.4	74%	10.4	74%	
Other projects	8.9	17.2	8.3						
Total Major Projects	39.1	60.5	21.5						
Total Divisional Capital	17.7	18.0	0.3						

21.7

Christchurch Campus Redevelopment

• Significant ongoing cost pressures, resulting in increased cost risk profile and estimate at completion, continues to be key focus for the project and steering committee.

78.5

56.8

• Forecast completion Q1 2026.

CApSc Building Refurbishment

- Forecast completion of current seismic works, Q3 2024.
- Internal fit-out tender has been let with commencement August 2024 and completion Q2 2025.

Aquinas Extension

TOTAL CAPITAL

- Building works complete and PC issued.
- Staff and students have moved into new link building.
- External works package continues with completion scheduled for late June

Arana Seismic and Fire

- Construction work progressing in line with programme and budget.
- Forecast completion Q4 2024.

Strategic Space - Plaza and Otago Business School Buildings

- Pathway and English Language Centre (PELC) construction complete in line with budget.
- Plaza Construction works currently in site with staff move in early August 2024

Monthly Accounts



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Statement of Financial Performance

FULL YEAR				YEAR TO	DATE	
PRIOR YEAR	BUDGET		ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
\$000s	\$000s		\$000s	\$000s	\$000s	\$000s
		Income				
269,900	293,258	Vote Education	209,686	212,815	(3,129)	193,199
63,683	62,816	Performance Based Research Funding	25,580	26,173	(593)	26,173
3,072	3,216	Vote Health	1,051	470	581	610
128,622	132,025	Domestic Tuition Fees	88,948	90,421	(1,473)	87,768
45,120	49,332	International Tuition Fees	34,364	31,943	2,421	30,338
5,343	1,125	Investment Income	337	486	(149)	2,754
28,272	28,985	Sundry Income	19,472	18,954	518	18,994
168,302	163,443	Externally Funded Research	73,777	65,710	8,067	65,860
11,051	12,074	Distribution from Trusts	5,831	4,700	1,131	5,106
88,824	94,735	Consulting & Commercial Income	39,348	39,946	(598)	36,697
(305)	349	Intellectual Property	544	90	454	105
811,885	841,357	Total Income	498,938	491,706	7,232	467,604
		Expenditure				
241,618	248,668	Salaries - Academic	97,603	99,042	1,440	95,863
197,020	199,640	Salaries - Professional	83,778	83,590	(188)	80,397
28,947	27,020	Staff Related Costs	11,915	11,812	(102)	11,442
45,048	44,760	Subcontracted Services	19,915	16,450	(3,465)	16,141
121,766	133,622	Consumables & General	50,476	55,972	5,497	46,921
52,370	57,449	Occupancy Costs	23,482	23,192	(290)	22,794
87,786	98,069	Depreciation	39,170	40,121	951	34,987
55,646	57,620	Scholarships	38,508	38,992	484	37,409
3,286	3,429	Finance Costs	1,352	832	(520)	1,068
833,487	870,278	Total Expenditure	366,198	370,004	3,806	347,022
(21,602)	(28,921)	Operating Surplus / (Deficit)	132,740	121,703	11,038	120,582

Analysis of Consumables and General

FULL YEAR				YEAR TO	DATE	
PRIOR YEAR	BUDGET		ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
\$000s	\$000s		\$000s	\$000s	\$000s	\$000s
3,351	3,571	Administration Expenses	1,312	1,328	16	1,295
2,324	2,329	Communications Expenses	984	977	(7)	1,001
6,827	7,379	Equipment Expenses	3,845	3,860	15	3,496
17,244	16,855	Laboratory Expenses	6,481	6,537	56	6,198
20,907	32,741	Computing Expenses	15,461	19,708	4,246	13,682
15,087	13,175	Reference Material Costs	1,077	1,100	23	1,210
14,268	12,642	Travel & Accommodation Expenses	5,442	4,607	(835)	4,727
4,679	5,280	Advertising & Promotion	1,270	1,389	119	1,060
11,586	10,383	Professional, Consulting & Affiliation	4,738	4,292	(446)	4,591
4,542	4,910	Student Related Expenses	2,150	2,126	(24)	1,900
3,842	1,654	Corporate Expenses	366	523	157	629
10,326	10,164	Goods For Resale & Catering Expenses	4,277	4,223	(55)	4,269
6,783	12,538	Other Expenses	3,072	5,304	2,232	2,866
121,766	133,622	Total Consumables and General	50,476	55,972	5,497	46,921

Statement of Financial Position

As at 31 May 2024

FULL Y	/EAR			YEAR TO	DATE	
PRIOR YEAR	BUDGET		ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
\$000s	\$000s		\$000s	\$000s	\$000s	\$000s
		Assets				
		CURRENT ASSETS				
14,893	6,512	Cash and Bank	5,743	6,512	(769)	35,555
-	-	Bank Term Deposits	-	-	-	10,000
51,044	54,456	Accounts Receivable	54,719	50,624	4,095	51,852
-	-	Government Grants Received in Advance	87,839	90,624	(2,785)	79,419
20,950	20,025	Prepayments	10,066	12,004	(1,938)	12,258
1,428	1,634	Inventory	1,561	1,674	(113)	1,637
88,315	82,628	Total Current Assets	159,928	161,439	(1,511)	190,720
		INVESTMENTS				
4,379	3,827	Loans and Advances	4,319	4,225	93	4,572
35,474	36,497	Investments	35,535	36,497	(962)	36,767
39,853	40,324	Total Investments	39,854	40,723	(868)	41,339
2,589,005	2,613,252	FIXED ASSETS	2,606,549	2,588,855	17,694	2,342,365
2,717,174	2,736,204	Total Assets	2,806,331	2,791,017	15,315	2,574,424
		Liabilities				
		CURRENT LIABILITIES				
105,000	80,000	Bank Loans	40,000	-	40,000	-
24,267	26,001	Accounts Payable	17,666	22,502	(4,836)	20,405
44,120	38,531	General Accruals	31,046	38,559	(7,513)	27,139
57,115	61,236	Employee Entitlements	56,878	61,266	(4,388)	59,162
35,920	33,504	Student Fees Received in Advance	51,762	52,035	(272)	50,564
81,039	80,488	Research Funds Received in Advance	84,071	90,960	(6,889)	88,915
3,308	-	Government Grants Received in Advance	-	-	-	-
7,157	11,124	Other Income Received in Advance	32,979	33,657	(678)	30,795
357,927	330,884	Total Current Liabilities	314,402	298,978	15,424	276,980
		TERM LIABILITIES				
28,155	27,811	Loans and Advances	27,811	27,811	(0)	27,811
41,750	41,940	Employee Entitlements	42,042	41,940	101	40,348
-	123,380	Bank Loans	-	70,845	(70,845)	-
69,906	193,131	Total Term Liabilities	69,852	140,596	(70,744)	68,159
		Equity				
620,328	572,075	General Reserve	596,379	572,075	24,304	616,484
34,354	34,354	Capital Injections	34,354	34,354	-	34,354
113,553	136,445	Carry Forwards	115,896	125,076	(9,180)	117,397
1,542,709	1,498,234	Property Revaluation Reserve	1,542,709	1,498,234	44,474	1,340,468
(21,602)	(28,921)	Operating Surplus / (Deficit)	132,740	121,703	11,038	120,582
2,289,341	2,212,188	Total Equity	2,422,077	2,351,442	70,635	2,229,285
2,717,174	2,736,204	Total Liabilities and Equity	2,806,331	2,791,017	15,315	2,574,424

Statement of Cashflows

FULL YEAR				YEAR TO	DATE	
PRIOR YEAR	BUDGET		ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
\$000s	\$000s		\$000s	\$000s	\$000s	\$000\$
		Operating Activities				
		CASH WAS PROVIDED FROM				
339,016	359,290	Income from Government Grant	148,227	148,834	(608)	142,674
194,851	199,985	Income from Student Fees	159,252	168,619	(9,368)	161,794
281,708	281,553	Income from Services	134,509	132,796	1,713	124,394
5,343	1,125	Interest & Dividends Received	635	486	149	3,876
820,918	841,953		442,622	450,735	(8,113)	432,738
		CASH WAS APPLIED TO				
442,062	441,234	Paid to Employees	183,596	174,360	(9,236)	177,488
310,290	328,460	Paid to Suppliers	139,132	147,563	8,432	137,267
752,352	769,694		322,727	321,923	804	314,755
68,566	72,259	Net Cash Flows from Operating Activities	119,895	128,812	(8,917)	117,983
		Investing Activities				
		CASH WAS PROVIDED FROM				
1,699	465	Investments	(290)	66	(356)	44
131	17,471	Disposal of Fixed Assets	46	314	(268)	89
1,830	17,935	·	(244)	379	(624)	133
		CASH WAS APPLIED TO				
140,776	176,078	Purchase of Fixed Assets	63,800	82,540	18,740	52,835
140,776	176,078		63,800	82,540	(18,740)	52,835
(138,946)	(158,143)	Net Cash Flows from Investing Activities	(64,045)	(82,161)	18,116	(52,702)
		Financing Activities				
		CASH WAS APPLIED TO				
(105,000)	(203,380)	Loans / Advances	(40,000)	(70,845)	(30,845)	-
(105,000)	(203,380)		(40,000)	(70,845)	30,845	-
105,000	203,380	Net Cash Flows from Financing Activities	40,000	70,845	(30,845)	-
34,619	117,496	Total Cash Flows	95,850	117,496	(21,647)	65,280
			337333	,	(=1,011)	
(19,726)	(110,984)	Opening Balance	(90,107)	(110,984)	20,877	(19,726)
14,893	6,512	Closing Balance	5,743	6,512	(769)	45,555
		REPRESENTED BY				
14,893	6,512	Cash and Bank	5,743	6,512	(769)	45,555
-	-	Proceeds from Borrowings	-	-	-	-
14,893	6,512		5,743	6,512	(769)	45,555

Division of Commerce

FULL YEAR				YEAR TO	DATE	
PRIOR YEAR	BUDGET		ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
\$000s	\$000s		\$000s	\$000s	\$000s	\$000s
		Income				
18,053	19,425	Vote Education	10,531	10,347	184	9,436
2,021	1,938	Performance Based Research Funding	791	808	(17)	829
14,271	14,586	Domestic Tuition Fees	7,646	7,545	101	7,336
6,938	6,907	International Tuition Fees	3,213	3,550	(336)	3,699
166	33	Sundry Income	135	21	115	41
1,219	938	Externally Funded Research	728	529	199	472
245	278	Distribution from Trusts	80	99	(19)	77
352	469	Consulting & Commercial Income	75	210	(136)	100
1,857	1,383	Internal Income	936	883	53	996
45,121	45,957	Total Income	24,134	23,990	144	22,985
		Expenditure				
14,316	14,901	Salaries - Academic	5,753	6,202	449	5,623
1,544	1,461	Salaries - Professional	556	641	85	565
1,002	1,052	Staff Related Costs	405	447	41	392
3	7	Subcontracted Services	136	3	(133)	20
2,810	2,483	Consumables & General	1,120	1,083	(37)	1,085
13	12	Occupancy Costs	5	5	(0)	6
1,965	2,163	Internal Rent	895	901	6	820
148	134	Depreciation	58	57	(1)	62
409	336	Scholarships	134	245	111	252
22,211	22,550	Total Expenditure	9,063	9,584	521	8,825
22,910	23,407	Contribution Margin	15,071	14,406	665	14,160
		Central Costs				
23,705	25,409	Service Division Costs	10,789	10,789	_	9,877
1,342	1,327	Surplus Allocation	553	553	_	559
-	-	Interest on Capital	_	-	-	-
(1,390)	(3,329)	Subventions Paid / (Received)	(1,387)	(1,387)	_	(579)
23,657	23,407	Total Central Costs	9,955	9,955	-	9,857
(748)	0	Net Surplus / (Deficit)	5,116	4,451	665	4,303

Division of Health Sciences

FULL YE	AR		YEAR TO DATE			
PRIOR YEAR	BUDGET		ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
\$000s	\$000s		\$000s	\$000s	\$000s	\$000s
		Income				
144,330	158,169	Vote Education	130,354	130,746	(391)	118,158
37,454	37,361	Performance Based Research Funding	15,267	15,567	(300)	15,447
3,072	3,216	Vote Health	1,051	470	581	610
55,859	57,912	Domestic Tuition Fees	46,109	46,200	(91)	44,418
20,794	24,703	International Tuition Fees	19,935	19,089	847	17,083
6,087	6,754	Sundry Income	3,172	2,982	190	3,114
113,281	108,800	Externally Funded Research	50,446	45,091	5,355	46,613
4,966	5,195	Distribution from Trusts	2,826	1,959	866	2,415
15,881	16,504	Consulting & Commercial Income	6,457	6,603	(147)	6,183
369	198	Intellectual Property	143	14	129	43
129,327	121,532	Internal Income	53,480	52,129	1,351	59,646
531,421	540,344	Total Income	329,240	320,851	8,389	313,729
		Expenditure				
139,813	140,829	Salaries - Academic	57,682	58,166	484	55,751
29,451	25,936	Salaries - Professional	11,417	10,841	(575)	11,835
11,251	11,008	Staff Related Costs	4,797	4,589	(207)	4,559
26,002	25,279	Subcontracted Services	12,104	10,123	(1,981)	10,473
151,349	144,638	Consumables & General	61,762	59,724	(2,037)	66,236
1,129	372	Occupancy Costs	437	45	(391)	302
35,380	36,222	Internal Rent	15,408	15,290	(118)	14,783
10,344	9,646	Depreciation	4,172	4,108	(64)	4,285
7,542	6,226	Scholarships	3,825	3,157	(668)	3,951
0	-	Finance Costs	0	-	(0)	0
412,261	400,157	Total Expenditure	171,602	166,044	(5,558)	172,176
119,160	140,187	Contribution Margin	157,638	154,807	2,831	141,553
		Control Contro				
		Central Costs				
130,697	136,986	Service Division Costs	57,031	57,031	-	54,457
12,159	12,537	Surplus Allocation	5,224	5,224	-	5,066
-	-	Interest on Capital	-	-	-	-
(14,959)	(9,336)	Subventions Paid / (Received)	(3,890)	(3,890)	-	(6,233)
127,896	140,187	Total Central Costs	58,365	58,365	-	53,290
		Net Surplus / (Deficit)	99,273	96,442	2,831	88,263

Division of Humanities

FULL Y	EAR		YEAR TO DATE			
PRIOR YEAR	BUDGET		ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
\$000s	\$000s		\$000s	\$000s	\$000s	\$000s
		Income				
40,240	42,276	Vote Education	24,228	25,664	(1,437)	24,127
6,907	6,679	Performance Based Research Funding	2,711	2,783	(72)	2,828
27,806	27,908	Domestic Tuition Fees	16,209	17,094	(885)	17,017
6,648	7,903	International Tuition Fees	4,637	3,620	1,017	3,410
648	391	Sundry Income	303	237	66	432
12,507	12,800	Externally Funded Research	4,633	4,979	(346)	3,537
2,609	3,305	Distribution from Trusts	1,118	1,227	(109)	1,035
3,736	3,901	Consulting & Commercial Income	358	1,649	(1,291)	1,666
7	8	Intellectual Property	7	3	4	6
7,027	6,145	Internal Income	3,451	2,913	538	3,521
108,135	111,315	Total Income	57,655	60,169	(2,514)	57,579
		Expenditure				
42,642	41,307	Salaries - Academic	16,348	16,619	272	16,753
2,378	2,845	Salaries - Professional	971	1,138	167	1,099
3,011	2,812	Staff Related Costs	1,131	1,221	90	1,334
4,294	3,974	Subcontracted Services	1,232	1,592	359	851
8,624	8,412	Consumables & General	3,818	3,386	(432)	3,639
177	184	Occupancy Costs	44	65	21	73
6,514	6,936	Internal Rent	2,826	2,890	64	2,738
668	637	Depreciation	263	266	3	281
1,286	1,417	Scholarships	549	674	125	694
0	-	Finance Costs	-	-	-	0
69,594	68,523	Total Expenditure	27,181	27,851	669	27,461
38,541	42,792	Contribution Margin	30,473	32,318	(1,845)	30,117
		Central Costs				
52,667	54,233	Service Division Costs	22,608	22,608		21,945
3,122	3,143	Surplus Allocation	1,310	1,310	-	1,301
3,122	J, 143 -	Interest on Capital	1,310	1,310	-	1,301
(9,452)	(14,584)	Subventions Paid / (Received)	(6,077)	(6,077)	-	(3,938)
46,337	42,792	Total Central Costs	17,841	17,841	-	19,307
(7,796)	0	Net Surplus / (Deficit)	12,632	14,477	(1,845)	10,810
(-,,			.=,***	,	(-,0.0)	,

Division of Sciences

FULL Y	EAR		YEAR TO DATE			
PRIOR YEAR	BUDGET		ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
\$000s	\$000s		\$000s	\$000s	\$000s	\$000s
		Income				
64,418	69,853	Vote Education	43,059	44,535	(1,476)	40,420
16,947	16,435	Performance Based Research Funding	6,647	6,848	(201)	6,926
29,772	30,659	Domestic Tuition Fees	18,556	19,133	(577)	18,581
8,966	10,320	International Tuition Fees	5,759	6,199	(440)	5,518
532	181	Sundry Income	97	73	25	189
38,387	38,053	Externally Funded Research	16,401	13,965	2,437	13,880
557	669	Distribution from Trusts	215	217	(1)	213
1,220	755	Consulting & Commercial Income	567	273	294	487
41	143	Intellectual Property	86	73	13	2
33,328	32,786	Internal Income	12,526	11,719	807	12,402
194,168	199,854	Total Income	103,914	103,035	880	98,617
		Expenditure				
48,828	47,799	Salaries - Academic	20,129	20,005	(124)	19,682
7,192	6,178	Salaries - Professional	3,103	2,595	(508)	2,872
3,761	3,348	Staff Related Costs	1,616	1,437	(179)	1,514
9,703	10,186	Subcontracted Services	3,797	2,539	(1,258)	2,654
38,567	39,500	Consumables & General	14,347	13,587	(760)	13,196
443	211	Occupancy Costs	182	97	(86)	139
15,406	17,378	Internal Rent	7,221	7,241	19	6,414
3,576	3,307	Depreciation	1,460	1,376	(84)	1,423
3,967	4,509	Scholarships	2,037	2,020	(17)	2,000
0	-	Finance Costs	0	-	(0)	0
131,443	132,416	Total Expenditure	53,893	50,896	(2,996)	49,893
62,725	67,437	Contribution Margin	50,022	52,138	(2,117)	48,724
		Central Costs				
61,889	63,721	Service Division Costs	26,619	26,619	_	25,787
4,921	4,990	Surplus Allocation	2,079	2,079	-	2,050
-,521	- ,550	Interest on Capital	-		_	
2,259	(1,273)	Subventions Paid / (Received)	(531)	(531)	-	941
69,069	67,437	Total Central Costs	28,168	28,168	-	28,779
(6,344)	0	Net Surplus / (Deficit)	21,854	23,971	(2,117)	19,945
,					<u>``</u>	-,- :-

Statement of Cost of Service Divisions

	EAR			YEAR TO	DATE	
RIOR YEAR	BUDGET		ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
\$000s	\$000s		\$000s	\$000s	\$000s	\$000s
		Income				
2,859	3,535	Vote Education	1,514	1,523	(9)	1,058
353	402	Performance Based Research Funding	164	168	(4)	144
915	960	Domestic Tuition Fees	429	449	(20)	417
1,775	(500)	International Tuition Fees	819	(515)	1,334	628
5,343	1,125	Investment Income	337	486	(149)	2,754
20,840	21,626	Sundry Income	15,764	15,641	124	15,218
2,907	2,851	Externally Funded Research	1,569	1,146	423	1,359
2,674	2,627	Distribution from Trusts	1,591	1,198	394	1,366
67,635	73,106	Consulting & Commercial Income	31,891	31,210	681	28,261
(721)	-	Intellectual Property	309	-	309	54
160,642	175,315	Internal Income	73,796	73,444	352	66,571
265,221	281,048	Total Income	128,183	124,749	3,434	117,828
		Expenditure				
7,985	15,801	Salaries - Academic	3,015	3,290	274	3,079
160,053	166,921	Salaries - Academic Salaries - Professional	68,368	69,972	1,604	65,403
10,790	9,525	Staff Related Costs	4,333	4,445	112	4,004
5,046	5,314	Subcontracted Services	2,645	2,193	(452)	2,142
105,174	116,681	Consumables & General	47,687	52,662	4,975	45,144
60,842	67,696	Occupancy Costs	27,247	27,385	139	26,593
61,491	68,948	Internal Rent	28,820	28,728	(92)	24,920
73,050	84,345	Depreciation	33,217	34,314	1,097	28,937
42,442	45,132	Scholarships	31,963	32,896	933	30,512
3,286	3,429	Finance Costs	1,352	832	(520)	1,068
30,159	583,792	Total Expenditure	248,647	256,716	8,069	231,801
64,938)	(302,744)	Contribution Margin	(120,464)	(131,967)	11,503	(113,973)
.,,,,,,	(302)111)		(120) 10 1)	(101,001)	11,505	(115/515)
		Central Costs				
268,958)	(280,365)	Service Division Costs	(117,048)	(117,048)	-	(112,066)
(21,544)	(21,997)	Surplus Allocation	(9,165)	(9,165)	-	(8,976)
-	-	Interest on Capital	-	-	-	-
23,542	28,523	Subventions Paid / (Received)	11,884	11,884	-	9,809
(66,960)	(273,839)	Total Central Costs	(114,329)	(114,329)	-	(111,233)
2,023	(28,905)	Net Surplus / (Deficit)	(6,135)	(17,638)	11,503	(2,739)
		Division Breakdown				
(2,149)	974	Division Breakdown Campus & Collegiate Life Services	860	2,095	(1,235)	477
(2,149) (5,353)	974 (4,539)		860 11,727	2,095 8,747	(1,235) 2,980	477 10,353
		Campus & Collegiate Life Services				
(5,353)	(4,539)	Campus & Collegiate Life Services Academic	11,727	8,747	2,980	10,353
(5,353) 6,674	(4,539) (0)	Campus & Collegiate Life Services Academic Committees	11,727 (11,666)	8,747 (15,677)	2,980 4,011	10,353 (12,102)
(5,353) 6,674 (1,254)	(4,539) (0) (23,254)	Campus & Collegiate Life Services Academic Committees Corporate	11,727 (11,666) (4,704)	8,747 (15,677) (6,137)	2,980 4,011 1,433	10,353 (12,102) 1,863
(5,353) 6,674 (1,254) 309	(4,539) (0) (23,254) (0)	Campus & Collegiate Life Services Academic Committees Corporate External Engagement	11,727 (11,666) (4,704) 1,829	8,747 (15,677) (6,137) 572	2,980 4,011 1,433 1,256	10,353 (12,102) 1,863 1,467
(5,353) 6,674 (1,254) 309 (129)	(4,539) (0) (23,254) (0) (0)	Campus & Collegiate Life Services Academic Committees Corporate External Engagement Financial Services	11,727 (11,666) (4,704) 1,829 (5)	8,747 (15,677) (6,137) 572 (51)	2,980 4,011 1,433 1,256 46	10,353 (12,102) 1,863 1,467 (29)
(5,353) 6,674 (1,254) 309 (129) 161	(4,539) (0) (23,254) (0) (0) (0)	Campus & Collegiate Life Services Academic Committees Corporate External Engagement Financial Services Human Resources	11,727 (11,666) (4,704) 1,829 (5) 250	8,747 (15,677) (6,137) 572 (51) 37	2,980 4,011 1,433 1,256 46 213	10,353 (12,102) 1,863 1,467 (29) 165
(5,353) 6,674 (1,254) 309 (129) 161 (17,873)	(4,539) (0) (23,254) (0) (0) (0) (18,527)	Campus & Collegiate Life Services Academic Committees Corporate External Engagement Financial Services Human Resources Information Technology Services	11,727 (11,666) (4,704) 1,829 (5) 250 (15,738)	8,747 (15,677) (6,137) 572 (51) 37 (14,452)	2,980 4,011 1,433 1,256 46 213 (1,286)	10,353 (12,102) 1,863 1,467 (29) 165 (13,270)
(5,353) 6,674 (1,254) 309 (129) 161 (17,873) 16,284	(4,539) (0) (23,254) (0) (0) (0) (18,527) 15,151	Campus & Collegiate Life Services Academic Committees Corporate External Engagement Financial Services Human Resources Information Technology Services Operations	11,727 (11,666) (4,704) 1,829 (5) 250 (15,738) 6,300	8,747 (15,677) (6,137) 572 (51) 37 (14,452) 6,281	2,980 4,011 1,433 1,256 46 213 (1,286)	10,353 (12,102) 1,863 1,467 (29) 165 (13,270) 6,312
(5,353) 6,674 (1,254) 309 (129) 161 (17,873) 16,284 3,413	(4,539) (0) (23,254) (0) (0) (0) (18,527) 15,151	Campus & Collegiate Life Services Academic Committees Corporate External Engagement Financial Services Human Resources Information Technology Services Operations Property Services and Campus Development	11,727 (11,666) (4,704) 1,829 (5) 250 (15,738) 6,300 1,691	8,747 (15,677) (6,137) 572 (51) 37 (14,452) 6,281	2,980 4,011 1,433 1,256 46 213 (1,286) 19	10,353 (12,102) 1,863 1,467 (29) 165 (13,270) 6,312 284
(5,353) 6,674 (1,254) 309 (129) 161 (17,873) 16,284 3,413 (567)	(4,539) (0) (23,254) (0) (0) (0) (18,527) 15,151 0 (436)	Campus & Collegiate Life Services Academic Committees Corporate External Engagement Financial Services Human Resources Information Technology Services Operations Property Services and Campus Development Research	11,727 (11,666) (4,704) 1,829 (5) 250 (15,738) 6,300 1,691 (144)	8,747 (15,677) (6,137) 572 (51) 37 (14,452) 6,281 760 (102)	2,980 4,011 1,433 1,256 46 213 (1,286) 19 931 (42)	10,353 (12,102) 1,863 1,467 (29) 165 (13,270) 6,312 284 2
(5,353) 6,674 (1,254) 309 (129) 161 (17,873) 16,284 3,413 (567) 14,700	(4,539) (0) (23,254) (0) (0) (0) (18,527) 15,151 0 (436) 18,078	Campus & Collegiate Life Services Academic Committees Corporate External Engagement Financial Services Human Resources Information Technology Services Operations Property Services and Campus Development Research Shared Services	11,727 (11,666) (4,704) 1,829 (5) 250 (15,738) 6,300 1,691 (144) 7,590	8,747 (15,677) (6,137) 572 (51) 37 (14,452) 6,281 760 (102) 6,861	2,980 4,011 1,433 1,256 46 213 (1,286) 19 931 (42) 729	10,353 (12,102) 1,863 1,467 (29) 165 (13,270) 6,312 284 2 6,633

Statement of Capital Expenditure

FULL Y	EAR			YEAR TO	DATE	
RIOR YEAR	BUDGET		ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
\$000s	\$000s		\$000s	\$000s	\$000s	\$000
		Land & Buildings				
100,186	135,135	Capital Works Programme	38,012	58,980	20,968	31,897
		DIVISIONAL LAND & BUILDINGS				
574	1,866	Service Divisions	128	1,866	1,738	152
613	500	Campus & Collegiate Life Services	48	40	(8)	134
-	(1,000)	Corporate	-	-	-	
1	-	Division of Health Sciences	3	-	(3)	
25	-	Division of Sciences	-	-	-	25
1,213	1,366	Total Divisional Land & Buildings	179	1,906	1,727	311
101,399	136,501	Total Land & Buildings	38,191	60,886	22,694	32,208
		Furniture & Equipment				
781	-	Equipment Committee	0	-	(0)	364
2,838	1,617	Capital Works Programme	941	674	(267)	1,052
		DIVISIONAL FURNITURE & EQUIPMENT				
13,738	16,692	Service Divisions	10,688	8,562	(2,126)	3,989
1,056	1,995	Campus & Collegiate Life Services	231	553	322	32
1	-	Committees	-	-	-	
25	15	Division of Commerce	7	7	(0)	10
-	(7,000)	Corporate	-	(200)	(200)	
5,299	8,358	Division of Health Sciences	1,556	2,226	670	1,72
357	495	Division of Humanities	139	122	(17)	81
3,842	3,041	Division of Sciences	855	1,479	624	1,220
24,317	23,596	Total Divisional Furniture & Equipment	13,476	12,749	(727)	7,355
27,936	25,213	Total Furniture & Equipment	14,417	13,423	(994)	8,771
		Software & Systems				
2,508	2,150	Capital Works Programme	139	896	757	2,36
		DIVISIONAL SOFTWARE & SYSTEMS				
10,437	13,589	Service Divisions	2,981	1,633	(1,349)	2,746
-	(2,000)	Corporate	-	-	-	
49	48	Division of Health Sciences	17	28	11	62
-	-	Division of Sciences	9	-	(9)	
10,485	11,637	Total Divisional Software & Systems	3,007	1,660	(1,347)	2,816
12,993	13,787	Total Software & Systems	3,146	2,556	(590)	5,184
		Library Books & Periodicals				
-	-	Capital Works Programme	-	-	-	
2,441	2,506	Academic	1,053	1,652	599	1,10
2,441	2,506	Total Library Books & Periodicals	1,053	1,652	599	1,101
144,770	178,007	Total Capital Expenditure	56,808	78,517	21,709	47,264

Statement of Capital Works

FULL YEAR				YEAR TO	DATE	
PRIOR YEAR	BUDGET		ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
\$000s	\$000s		\$000s	\$000s	\$000s	\$000s
		CDC Capex				
		APPROVED BUILDING PROJECTS				
17	-	(Design / Innovation / Collaboration) Lab ¿ Establishme	_	_	_	17
14,590	994	Aquinas Extension	1,575	894	(681)	5,139
1,388	11,981	Arana Seismic & Fire	1,942	4,499	2,557	492
(2)	_	Castle St Landscaping Projects	-	_	-	-
33,379	80,012	Christchurch University of Otago	21,411	29,121	7,710	8,413
673	-	Clock Tower Refurbishment	10	-	(10)	265
5,696	7,968	Food Science Building	1,676	4,195	2,519	1,740
271	-	Hakitekura	132	· -	(132)	160
1	-	HSMP Stage 4 - Interprofessional Learning Centre	(1)	_	1	(4)
_	_	ISB Link Building Furniture and Fittings	5	_	(5)	-
5	_	Music and Theatre Studies	_	_	-	5
79	500	Net Zero Carbon	17	208	191	_
20,698	363	New College - Te Rangi Hiroa Replacement	1,290	48	(1,242)	10,474
6	-	Research Support Facilities Stage 2 & 3	(1)	_	1	2
283	_	School of Dentistry Upgrade & Extension	12	_	(12)	53
285	_	Science III Fire	418	_	(418)	163
	_	Science Programme Business Case: Owheo fit out proje	2	_	(2)	-
_	400	Sciences Programme	_	167	167	_
4	-	Strategic Space Plan 21-22	_	-	-	0
3,893	6,230	Strategic Space Project - University Plaza and Otago Bu	3,586	4,667	1,081	430
292	-	Studholme Seismic & Fire	-	-	-	164
309	83	Union Court	34	83	49	132
-	3,300	UOW Academic Block	-	1,375	1,375	-
138	_	UOW Access Management Upgrade	108	-	(108)	62
38	_	UOW Fit-out & Immediate Works	_	_	-	13
5,128	5,407	UOW Lecture Theatre Strengthening	1,468	4,170	2,702	688
1,643	1,672	UOW Link Block Further Adaptions	1,781	1,672	(109)	84
(10)	-	UOW Space Reconfiguration	-		-	(10)
-	-	Web Transformation Phase 2	6	-	(6)	-
88,804	118,909		35,472	51,100	15,628	28,480
		NEW DIFFE				
		NEW BUILDINGS				
-	-	ADDROVED IT DOO FEETS	-	-	-	-
		APPROVED IT PROJECTS				_
_	1,117	Air Travel Project	-	466	466	0
7	-	Computerised Maintenance and Management System {	-	-	-	-
-	-	Customer Relationship Mgt - Phase Two	-	-	-	1

Statement of Capital Works

FULL YE	AR		YEAR TO DATE			
PRIOR YEAR	BUDGET		ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
\$000s	\$000s		\$000s	\$000s	\$000s	\$000s
6	-	Dental Clinic Optimisation	-	-	-	11
0	-	Energy Efficiency - ICT and Analytics	-	-	-	0
220	-	OURDrive Cloud Migration	-	-	-	-
26	-	Purchasing System Enhancement	-	-	-	22
457	506	Standard University Desktop Image (SUDI)	123	506	383	186
-	-	Student Management System Enhancements	-	-	-	540
2	-	Web Refresh	-	-	-	2
718	1,623		123	971	848	763
89,522	120,532	Total CDC Capex	35,595	52,071	16,476	29,243
		Capital Portion of R&M Budgets				
2,282	2,000	Statutory Projects	49	882	834	720
179	=	Adaption Projects	4	-	(4)	74
13,549	15,126	Preventative Maintenance	3,444	7,373	3,928	5,281
16,010	17,126	Total Capital Portion of R&M Budgets	3,497	8,255	4,758	6,074
		Available Funding for Unapproved Projects				
-	1,244	CDC - ICT Projects available funds	-	223	223	-
-	1,244	Total Available Funding for Unapproved Projects	-	223	223	-
105,532	138,902	Capital Works Additions to Fixed Assets	39,092	60,550	21,458	35,317

3. Exclusion of the Public

The Convener moves that the public be excluded from the whole of the proceeding of this meeting/the following parts of the proceedings of this meeting, namely, —

- Item 4 Part 2 Minutes of the Meeting of the Finance and Budget Committee held on 18 April 2024
- Item 5 Finance and Budget Committee Work Plan and Action Follow-Up Register
- Item 6 Strategic Risk Report
- Item 7 Financial Review Report
- Item 8 Treasury Report
- Item 9 Convener's Business

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	Reason for passing this resolution	Ground under Section 48(1)(a) for the passing of this resolution
Items 4 - 9	Good reason for withholding	Section 48(1)(a)(ii)
Confidential Minutes	information under the Official	
and Reports	Information Act	

This resolution is made in reliance on Section 48(1)(a)(ii) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Sections 6,7 and/or 9 of the Official Information Act 1982 (except section 9(2)(g)(i)) as the case may require. The interests which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows:

Item 4	Part 2 Minutes of the Meeting of the Finance and Budget Committee held on 18 April 2024	s9(2)(a), (i), (j) and (k)
Item 5	Finance and Budget Committee Work Plan and Action	s9(2)(i), and (k)
Tion 5	Follow Up Register	5)(2)(1), and (1)
Item 6	Strategic Risk Report	s9(2)(i), and (k)
Item 7	Financial Review Report	s9(2)(i), and (k)
Item 8	Treasury Report	s9(2)(i), and (k)
Item 9	Convener's Business	s9(2)(i), and (k)

AND THAT Mr B N Trott and Mr S W Willis be permitted to remain at this meeting after the public has been excluded because of their knowledge of the matters to be discussed. This knowledge, which will be of assistance in relation to the matters to be discussed, is relevant to those matters because it relates to aspects of the administration of the University of Otago for which these people are responsible. The Registrar and Secretary and the Deputy Secretary to the Council are also permitted to remain at the meeting so as to provide advice and secretarial support.