

Imperial College Union
Beit Redevelopment Funding
A Note by the Graduate Students' Association Chair

Introduction

Whilst the Union accounts were being prepared for audit after the end of the financial year, an unexplained shortfall was seen in the Union's General Reserve. Upon investigation, it rapidly became clear that this shortfall was the money spent on the Beit Redevelopment Project but there was an insufficient audit trail for this.

The funding for the Union Redevelopment was proposed in the President's Report to the Sixth Ordinary Meeting of Council in the 2005-2006 session. By accepting this report Council agreed to fund the Union Redevelopment programme with up to £384,000 of Union money. Unfortunately, this report did not state where the money was to come from although it came out in discussion that the money was to be taken from the Union's General Reserve.

The minutes of this meeting were accepted as a true and accurate account of the meeting at the Seventh Ordinary Meeting of Council despite the presence of a mistake in these minutes. The minutes do not explicitly state the source of the funding yet do include a minute stating that "£216k will be left in the Executive Committee reserve". This minute implies that the funding will be taken from the Executive Committee reserve, a pot that usually starts the year with only about £50,000 in it and can obviously not be used to fund the Union Redevelopment Programme. Council accepting these minutes has caused a problem in that the audit trail is no longer correct and implies that money taken from the General Reserve was, in fact, approved to be taken from the Executive Reserve.

The fact that neither the original report nor the minutes identify the source of the funding is bad practice and cause problems for auditing the Union's accounts with these problems being compounded by the minutes incorrectly implying that the money will be taken from the Executive Reserve and therefore suggesting that money was spent from the General Reserve without authorization.

This ambiguity needs to be resolved as a matter of urgency as the Union's accounts need to be presented and it must be clear where the money has been spent and who authorized the expenditure. As this is a matter of urgency, the Executive Committee has the power under paragraph 10.7 of the Union Constitution to "act on behalf of the Council with its authority, provided all such actions are reported to and approved by the Council at its next meeting".

Action required

1. To clarify that the funding for the Beit Redevelopment Project should be taken from the Union General Reserve not the Executive Reserve and append a note of this clarification to the minutes of the Sixth Ordinary Meeting of the 2005-2006 session.
2. To report this action to the Council at the first meeting of the 2007-2008 session and invite them to endorse this decision.

JM – 09/09/07