

Minutes of the Audit Sub-Committee

Date : 28 October, 2008

Venue : ICU Meeting Room 7, Beit Quad

Present : Graham Howard – Lay Trustee member of the Trustee Board
 Christian Carter – DPFS – Permanent observer on Trustee Board
 Lewis Hands (Chair) - Lay Trustee member of the Trustee Board

The meeting was opened at 6.40pm and closed at 7.15pm.

Membership

There was some discussion as to whether or not CC was eligible to sit on this committee as he is a permanent observer on the TB and not a full member of the TB. This matter to be addressed after the meeting.

Note: Following the meeting it became apparent that CC is eligible to sit on the committee as he is a full-time student (and therefore a member of ICU).

Purpose

The sub-committee's purpose is to provide a recommendation to the TB to either approve or not approve the audited accounts of the Union. This does not include, in the opinion of the chair, the provision of a recommendation on the various Reports of the Executive Committee. However, these Reports may be reviewed if they help in interpreting and understanding the audited accounts.

Accounts

Various items within the audited accounts were discussed and the following noted.

Net Trading Surplus, Note 2, page 16 – Against "Entertainments" an amount of £72,588 deficit is shown. This is approximately double the figure for 2007 (£37,628).

Other Income, Note 3, page 16 – There is an item called "Life membership (net)". A query was raised with regard to the word "net" as this appears misleading.

Other Income, Note 3, page 16 – The amount against the item "Van hire (net)" is £43,744. It was alleged that van hire is supposed to be non-profit.

Union Committees, Note 4, page 16 – The amount against "Minor sub committees" is £273. A query was raised as to how this could be a positive figure as minor sub committees only spend money.

Student Activities, Note 5, page 17 – Against the item "RAG" an amount of £81 deficit is shown. This item refers to Note 12. Note 12 shows a deficit of £719 and not £81.

General Administration, Note 6, page 17 – A query was raised as to whether or not the figure shown against the item "Salaries" includes redundancy fees.

General Administration, Note 6, page 17 – A query was raised as to the relatively high value of the figure shown against the item "Miscellaneous" (£68,873). The Committee was informed that this includes some £52,000 for the new website.

Approval Decision

CC informed the committee that other apparent discrepancies had been brought to the attention of the accountants prior to the audited accounts being finalised and that most had been resolved.

It was noted that the audited accounts had already been approved by the Executive.

The committee were informed that the HST had seen the audited accounts.

It was noted that the accounts had been audited by a reputable external firm of accountants.

There was some discussion as to whether or not the items note above should lead to a recommendation not to approve the accounts on the basis that they could be argued to cast some doubt on the account's validity.

However, in the light of the above discrepancies apparently not being overly significant it was agreed to recommend approval to the TB but to mention that some figures may require further explanation.

The following wording was handed to CC for submitting to College along with the audited accounts.

“The Audit Sub-Committee recommend that the Trustee Board approve the audited accounts but note that there are some amounts which require further explanation. The amounts in question do not appear significant.”