

Audit Committee

Held on Friday, 6th February, 2004
At 10.00 am in the Executive Meeting Room at Watford General Hospital

Those Present:

Martin Saunders (MS)	Chairman – Non Executive Director
Robin Douglas (RD)	Non Executive Director
Ailsa Bernard (AB)	Non Executive Director

In attendance:

Vince Doherty	Acting Director of Finance
Tony Bettridge (TB)	Financial Controller
Dorothy Murphy (DM)	Secretary to the Committee

Auditors:

Kay Storey (KS)	Audit Commission
Paul Hyatt (PH)	Audit Commission
Doug Freeman (DF)	PS Audit Services Ltd

1.	Welcome and Apologies The Committee welcomed Martin Saunders, new Chairman, and Vince Doherty, Acting Director of Finance. There were no apologies.	Action
2.	Minutes The Minutes of the meeting held on 7 th November were agreed.	
3.	Matters Arising <i>3.1 Acute Trust Portfolio, Action Plan Update</i> - VD has spoken to NC who says he has produced an Action Plan but needs to liaise with the Audit Commission in order to complete the work. <i>3.2 Audit Committee Induction Pack</i> - VD to produce Induction Pack for new non-executives. TB produced amended Terms of Reference which will be presented to the Board. <i>3.3 Day Surgery Benchmarking data</i> - KS confirmed that the AC had been asked to carry out a benchmarking exercise. John Pears (AC) will undertake. <i>3.4 Draft Charitable Funds Reserve Policy</i> - DF confirmed IA are happy with the policy.	 VD AC

	<p><i>3.5 Procurement Report</i> - Has been presented to the Supply Board. VD to establish what plans there are to merge our Supply Board with the London Region. To be put on next agenda.</p>	VD
4.	<p>A & E Action Plan – Final Update</p> <p>SG called away before he was able to give an update. To be invited to next meeting.</p>	TB
5.	<p>Statement on Internal Control 2003/04</p> <p>VD said the Trust must sign the statement agreeing that controls are in place. The statement will appear in the annual accounts. MS requested a draft statement to be brought to the next meeting. Also, draft statement re Risk to be brought to the next meeting.</p>	VD
6.	<p>Internal Audit</p> <p>DF presented the IA progress report to January 2004. Four completed audit reports have been issued since the last meeting. Queries arising from some of the reports were as follows:</p> <p><i>Report No. 10 – Income Debtors</i> Report issued and implementation of suggestions agreed.</p> <p><i>Report No. 11 – Income Collection – Staff Parking Fees</i> TB to investigate whether procedure in place to flag up when member of staff leaves to ensure parking permit is returned.</p> <p><i>Report No. 12 – Payroll Processing</i> VD was concerned about the number of forms, ie. Starter, leaver, change of circumstances, being submitted without the correct signature/s, resulting, in some cases, in high levels of overpayments being made. VD to liaise with DF.</p> <p><i>Report No.13 – Control of Mobile Phones</i> IA expressed concern about the control and repossession of mobile phones, when staff members leave the Trust. RD asked what procedures were in place to ensure we reclaim all phones.</p> <p>VD asked DF when the Financial Reporting and Budgetary Control report would commence. DF said there were plans for this to commence in the next week or so.</p> <p>DF to bring the Audit Plan to the next meeting.</p> <p><i>Controls Assurance</i> DF said he had been asked to suspend the audit. MS expressed concern that audits could be suspended without first being referred to this committee. VD said it was important we complete the work and will probably need more days to complete. VD to speak to GE.</p> <p><i>Counter Fraud Services</i> It was decided it was not necessary for a presentation to be made to the Board. A short note could be included in the annual accounts.</p>	<p>TB</p> <p>VD/DF</p> <p>DF</p> <p>VD</p>

	<i>Capital Audit Follow-up</i> To follow last year's work.	
7.	External Audit (i) The new District Auditor, Rob Murray, to be appointed in March. (ii) The Health Economy Report – Completed. Action Plan to be led by the StHA. VH to be consulted on input. (iii) Annual Audit Letter Update – KS presented the latest version of the Annual Audit Letter. VD and MS pointed out several inaccuracies and KS agreed to change where required and return the amended Letter.	KS
8.	Declaration of Interests Register extract noted.	
9.	Hospitality/Gifts Register extract noted. Amendment to policy to include corporate gifts.	TB
10.	Tender/Quotations Waivers Extract from register noted.	
11.	Trust Seal Register Summary Noted	
12.	Losses & Compensations Schedule Noted. TB reported that the Risk Manager was reviewing the Compensation Policy as part of the Controls Assurance process.	
13.	Any Other Business There was no other business	
14.	Dates of Future Meetings Friday 7 th May 2004 – Executive Meeting Room, WGH Friday 30 th July 2004 – Normandy Court, HH Friday 5 th November 2004 – Normandy Court, HH All meetings to commence at 10.00 am	