

FINAL INTERNAL AUDIT REPORT
EDUCATION, CARE AND HEALTH SERVICES DEPARTMENT

FOLLOW UP REVIEW OF RIVERSIDE SCHOOL
2016/17

Issued to: Steve Solomons, Headteacher
Katrina O'Leary, Chair of Governors (final only)
Sue Crane School Business Manager

CC: Ade Adetosoye, Deputy Chief Executive, Executive Director of ECHS (final only)
Jane Bailey, Director of Education (final only)
Schools Finance Team (final only)

Prepared by: Principal Auditor

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INTRODUCTION

1. This report sets out the results of our systems based follow up audit of Riverside School. The audit was carried out in May 2016 as part of the programmed work specified in the 2016/17 Internal Audit Plan, agreed by the Section 151 Officer and Audit Sub-Committee.
2. The controls we expect to see in place are designed to minimise the department's exposure to a range of risks. Weaknesses in controls that have been highlighted will increase the associated risks and should therefore be corrected to assist overall effective operations.

AUDIT SCOPE

3. This follow up review considered the Internal Audit report finalised on the 14th December 2015 and was limited to identifying progress made to implement the 2 recommendations.

MANAGEMENT SUMMARY

4. At the site visit on the 8th May 2017 audit testing and supporting documentation satisfactorily evidenced implementation of the 2 recommendations, as detailed in Appendix A.

SIGNIFICANT FINDINGS (PRIORITY 1)

5. There are no priority one findings to report.

DETAILED FINDINGS/MANAGEMENT ACTION PLAN

6. Appendix A provides information on the recommendations that are being followed-up and Appendix B give definitions of the priority categories.

ACKNOWLEDGEMENT

7. We would like to thank all staff contacted during this review for their help and co-operation

No	Recommendation/Management Comment	Target Date and Responsibility	Follow-up comments	Status
1	<p>Purchase orders should be raised when the decision has been taken to procure a service/item. [Priority 2]</p> <p>Every effort is made to ensure that all commitments are entered as a purchase order at the time of commitment. Additional attention will be given to ensuring all commitments are logged as purchase orders including estimates for monthly and quarterly generated invoices</p>	<p>School Business Manager /Finance Officer</p> <p>Dec 2015</p>	<p>A sample of 5 payments was selected to test that the order had been raised when the decision has been taken to procure the goods and services and prior to the receipt of the invoice.</p> <ul style="list-style-type: none"> • 2/5 orders were raised before the invoice • 1/5 on the same day • 2/5 orders raised after the invoices however there were satisfactory explanations for both. The School Business Manager confirmed that provision for both payments had been included in budget monitoring. 	<p>Implemented</p>
2	<p>The school should consider reviewing all assets annually in accordance with School's Financial Regulations. [Priority 3]</p> <p>The school has a comprehensive and effective asset tracking system in place which records significant numbers of items for insurance purposes such as furniture that do not need checking annually. Annual checks as well as spot checks via a bar code reader are completed on all appropriate items. Unfortunately, not all information had been uploaded to the system prior to the audit which gave a misleading impression of checks. Recording of asset numbers on purchase paperwork and additional checks to ensure data has been uploaded will be completed.</p>	<p>School Business Manager/IT Administrator</p> <p>Dec 2015</p>	<p>The school evidenced the current asset register. The printed report shows the date that the item was added to the register although column heading is "inspection date". This is misleading as original assets that were uploaded to the register in June 2013 appear not to have been inspected since that date.</p> <p>The school has undertaken stock checks and will record any random spot checks to support the annual certification by the Headteacher.</p> <p>The Headteacher has signed and dated the asset register hard copy to satisfy Financial Regulations.</p>	<p>Implemented</p>

Definition of priority categories.

Priority 1

**Required to address major weaknesses
and should be implemented as soon as
possible**

Priority 2

**Required to address issues which do
not
represent good practice**

Priority 3

**Identification of suggested
areas for improvement**