

Clifton with Rawcliffe Primary School
City of York Council
Internal Audit Report 2014/15

Business Unit: Primary Schools,
Headteacher: A Herbert
Date Issued: 30/4/15
Status: Final
Reference: 15681/002

	P1	P2	P3
Actions	0	0	3
Overall Audit Opinion	High Assurance		

Summary and Overall Conclusions

Introduction

This audit was carried out on Tuesday 10th February and Wednesday 11th February 2015 as part of the Internal Audit plan for Education, Skills and Children's Services for 2014/15.

Objectives and Scope of the Audit

The purpose of this audit is to provide advice to the Governors, Head Teacher and the Authority's Section 151 Officer about the financial management procedures and assurance that internal controls of the school are operating effectively to manage key risks, both financial and otherwise.

The audit covered the following areas in accordance with the specification issued on 14th November 2014:

- Governance;
- Financial Management;
- System Reconciliation;
- Petty Cash
- Contracts – Ordering, Purchasing and Authorisation;
- Income;
- Capital and Property;
- Additional School Activity Provision;
- Human Resources;
- Payroll;
- School Meals;
- Pupil Numbers;
- Voluntary Funds Monitoring Arrangements;
- Data Protection and Information Technology;
- Insurance and Risk Management;
- Joint Use Facilities;
- Inventory Records;
- Early Years
- Security; and
- Safeguarding Arrangements.

Key Findings

The key findings in the audit relate to the maintenance of a register of gifts and hospitality, checking of the inventory record and
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Overall Conclusions

It was found that the arrangements for managing risk were very good. An effective control environment appears to be in operation. Our overall opinion of the controls within the system at the time of the audit was that they provided **High Assurance**.



1 Governance

Issue/Control Weakness

There is no register of gifts and hospitality at the school.

Risk

Gifts may have been received that could influence purchasing decisions and Governors and staff at the school may be vulnerable to allegations of improper conduct in relation to the acceptance of gifts and hospitality.

Findings

A gifts and hospitality register has not been established in which details of any gifts or hospitality received can be recorded in accordance with the gifts and hospitality guidelines included in the schools HR Manual.

Recommendation

A gifts and hospitality register should be established at the school and staff and Governors made aware of the requirements. It is recommended that the register is signed off by the Headteacher on an annual basis.

Agreed Action 1.1

We have not received any gifts or hospitality, hence no register has been set up to date. However, we will now ensure that a register is completed, even if it shows a NIL return.

Priority

3

Responsible Officer

Business Manager

Timescale

April 2015

2 Inventory

Issue/Control Weakness

There has been no independent check of the inventory records.

Risk

Items which have been lost or misappropriated may not be identified and investigated.

Findings

The school maintains an electronic inventory record which is checked on an annual basis. This check is not completed by an officer independent of maintaining the inventory record.

Recommendation

An inventory check should be completed on an annual basis by an officer independent of maintaining the inventory record. The verified inventory record should be signed and dated by the checking officer. A log of all annual checks should also be maintained recording the date and the name of the officer completing the check.

Agreed Action 2.1

An inventory check is now in place by second member of staff and a signed log will be kept in a fireproof box. The electronic copy of the inventory is used as a working document.

Priority

3

Responsible Officer

IT Technician

Timescale

April 2015

Audit Opinions and Priorities for Actions

Audit Opinions

Audit work is based on sampling transactions to test the operation of systems. It cannot guarantee the elimination of fraud or error. Our opinion is based on the risks we identify at the time of the audit.

Our overall audit opinion is based on 5 grades of opinion, as set out below.

Opinion	Assessment of internal control
High Assurance	Overall, very good management of risk. An effective control environment appears to be in operation.
Substantial Assurance	Overall, good management of risk with few weaknesses identified. An effective control environment is in operation but there is scope for further improvement in the areas identified.
Reasonable Assurance	Overall, satisfactory management of risk with a number of weaknesses identified. An acceptable control environment is in operation but there are a number of improvements that could be made.
Limited Assurance	Overall, poor management of risk with significant control weaknesses in key areas and major improvements required before an effective control environment will be in operation.
No Assurance	Overall, there is a fundamental failure in control and risks are not being effectively managed. A number of key areas require substantial improvement to protect the system from error and abuse.

Priorities for Actions

Priority 1	A fundamental system weakness, which presents unacceptable risk to the system objectives and requires urgent attention by management.
Priority 2	A significant system weakness, whose impact or frequency presents risks to the system objectives, which needs to be addressed by management.
Priority 3	The system objectives are not exposed to significant risk, but the issue merits attention by management.

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