

KEY RECOMMENDATIONS FROM REPORTS ISSUED
[Bold text in brackets shows the management response]

P1 & P2 AUDIT RECOMMENDATIONS ONLY

CLEATOR MOOR BOWLS CENTRE CASH AND BANKING 2005/6 (follow up due Mar 06)

- (P2) That audit services confirm progress re cashing up 'blind' during the follow up audit.
- (P2) That all overs/shorts are recorded on the Income Analysis Sheets as well as the float sheet and, that, supervisory spot checks are undertaken.
- (P2) That audit services confirm progress re training covering refunds/cancellations on the Haven System during the follow up audit.
- (P2) That the key safe key is removed from the Bowls premises overnight. If further copies of the safe key are needed then they should be obtained.
- (P2) That all Sundry Debtor Invoices paid must be coded to the DEB001 code.
- (P2) That the use of management information reports is introduced and that supervisory spot checks are undertaken.
The majority of the Bowls information is still in a manual format. Input of Membership details will be introduced when training has been received and management reports developed.

LOANS AND INVESTMENTS 2005/6 (follow up due Apr 06)

- (P2) That reconciliations between the Loans & Investment records, bank statements and the FMS are carried out by the end of the following month.
Delays due to staff resourcing issues. Now up-to-date - as at 16/9/05, periods 1 – 5 had been reconciled.
- (P2) That whenever there are differences or "omissions from FMS" that they should be detailed underneath the reconciliation with an explanation for the difference.
Agreed wording "omissions from FMS" to change. Accountancy Services Manager has proposed a clearer format for the reconciliation.
- (P2) That all bank statements are filed immediately and, whenever it is discovered that a bank statement is missing, duplicates should be sought.
Accountant has requested the missing statement and has been tasked with splitting the HBOS file, so that statements are filed in a separate section from the confirmations.
- (P2) That all journals should have more detailed working papers to improve the audit trail. The transaction reference numbers should be included.
Working papers to include reference numbers of the temporary investments.
- (P2) That presentation of the Temporary Investments Summary is made clearer to show the reconciliation between the Loans & Investments records and the FMS.
The Accountancy Services Manager has proposed an appropriate format.

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- (P2) B/Fwd from 2003/4 - That the Treasury Management Procedure Guide is updated.
The Council's Treasury Management advisers will be assisting with this in the next month.
- (P2) That any revision of the Treasury Management Manual should also include Guidance re Money Laundering.
The Council's Treasury Management advisers will be assisting with this in the next month.
- (P2) That a reminder is given to all Business Units of the importance of informing the Finance section prior to them raising any large cheques over £20,000.

CREDITORS 2005/6 (Follow Up Due Jan 06)

- (P1) That file notes must be kept where the suppliers are considered to be Specialist [i.e. where Contract Standing Order 10: Exceptions to Normal Procedure applies].
- (P2) That the flag for a disputed invoice be shown on the enquiry screen within the Creditors system to enable spot checks to be made.
Creditors system will be replaced by new Financial Management System. Meanwhile performance is monitored and reported on by Accountancy.
- (P2) That a reminder is issued to ensure that any new staff are aware of the requirements relating to invoice authorisation.
- (P2) That, if there are two keys to the controlled stationery cupboard, that these are given to senior officers who are generally in the office and they can be kept on the person. Arrangements must be made for another key holder in the case of planned leave.
The 2 keys to the controlled stationery cupboards will be held in C Nicholson's drawer. The key to this drawer will be kept by C Nicholson when not on the premises, leaving a spare key with the Head of Finance & Business Development.
- (P2) That the officer responsible for opening returned cheques (i.e. opening the post) should be separate from the officer responsible for raising creditors on the creditors system.
2 separate officers will be rotated on opening the post.
- (P2) That all listings are checked and signed re BACS payments over £20,000, along with the corresponding invoices, prior to the BACS run being approved.
- (P2) That all new employees who will potentially handle personal data, go on the Data Protection Course run in-house to give an overview of the principles of Data Protection.
Will be included in internal induction procedures.

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- (P2) That, if staffing resources do not allow regular supervisory checks, then supervisory spot checks should be made on an ad hoc basis to ensure that transactions have been authorised, processing procedures have been followed and reconciliations have been completed.
Supervisory checks are now carried out to establish competence. This will then be followed by random spot checks. Will be discussed at the next Seniors' meeting.
- (P2) That a reminder is sent to each receiving department to date stamp all invoices on the day of receipt and to clearly mark any invoices in dispute.
Reminder to be sent by Audit. Performance also monitored and reported to Corporate Team monthly by Accountancy. Includes a reminder re omissions in procedure.
- (P2) That authorised signatories are reminded that a full signature, rather than initials, is required to authorise orders and invoices.
- (P2) That a System Administrator for the Creditors System is nominated as soon as possible.
Nominated Steven Tickner, Accountant
- (P2) That, once a new System Administrator is nominated, that the list of system users is reviewed and updated, with users being deleted where appropriate.

BEACON CASH AND BANKING 2005/6 (follow up due Feb 06)

- (P2) That the Beacon Manager reminds all Beacon/TIC employees of the importance of completing the Daily Cash Reconciliation Sheets in full.
Training to be provided at next Team Meeting and sooner where possible.
- (P2) That employees are reminded of the importance of confirming the Daily Cash Reconciliation Sheets are correctly calculated and any discrepancies are corrected prior to the sheets being signed off as correct by the Duty Manager. If the total takings does not match the till amounts these should be recorded in the difference box as an over or short.
Training to be provided at next Team Meeting and sooner where possible.
- (P2) That the Beacon Manager updates the Daily Cash Reconciliation Sheet to include a box for refunds and a narrative is included on the sheet. The employee and Duty Manager are then signing to confirm the refund as well as the Daily Cash Reconciliation Sheet is correct.
Draft to be e.mailed to audit for comment 15 November. To be amended and implemented as required. Immediate use.

CASH RECEIPTING 2005/6 (follow up due July 06)

- (P1) That the outstanding items re security at the Copeland Centre cash office be implemented as a matter of urgency:-
1 counter position still without a personal attack alarm.
Peter to confirm whether 3rd counter position used & whether 3rd attack button needed. Further analysis required as at 23/12/05.

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Rear entrance door to lobby has been replaced but does not automatically close quickly enough.

Progress being chased with Caxtons.

A new approved safe should be installed.

The Head of Business & Finance has confirmed that the purchase of a new safe is necessary if cash limits will exceed the insured limits. An initial review of August/September, showed the limit was exceeded only once. Further analysis to be undertaken. Note – the value of cash will need to be split over the 2 safes.

- (P2) That cashiers attend any future data protection training that the Council offers.
Training need to be identified as part of staff development interviews.
- (P2) That a regular check of postings from cash receipting is carried out to reconcile against NNDR accounts.
- (P2) That responsibility is allocated for carrying out daily checks of cash postings to the Academy system and that suspense accounts are cleared on at least a weekly basis.
- (P2) That manual cash collection sheets are used sequentially for traceability [so it would be obvious if a sheet were missing].
Sue Stamper to confirm implementation on next visit to Millom.
- (P2) That, when the transactions from the manual cash collection sheets are entered onto the cash receipting system, the line is ticked and the sheet is marked "Input" with the date. Transactions must not be crossed out, as this destroys the audit trail.
Sue Stamper to confirm implementation on next visit to Millom.
- (P2) That a log is kept of any computer downtime, recorded by site.
Area office cashiers to be instructed to inform the main cash office of any down time.
The Team Leader will maintain a central record of all down time.
Also a compensatory control – customer would receive reminder/recovery action.
- (P2) That the System Administrator reviews password access on at least a quarterly basis, to ensure that only the current authorized employees have access to the cash receipting system.
- (P2) That cashiers ensure that terminals are manually "locked" whilst moving from one terminal to another.