

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2014/15

COMMITTEE:

AUDIT COMMITTEE

23rd March 2015

Item No. 3(b)
Finalised Audit Assignments 2014/15

REPORT OF:-

GROUP DIRECTOR, CORPORATE & FRONTLINE SERVICES

Author: Marc Crumbie (Operational Audit Manager)

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1. PURPOSE OF THE REPORT

This report provides Members with a summary of audit assignments completed between the period 14th January 2015 to the 6th March 2015.

2. RECOMMENDATIONS

It is recommended that Members:

- 2.1 Note the contents of this Report.
- 2.2 Consider what comments and recommendations, if any, they wish to make.

3. BACKGROUND

- 3.1 In line with agreed procedures, I attach at **Appendix 1** a summary of audit assignments completed between the period 14th January 2015 to the 6th March 2015.
- 3.2 I have provided Members with the Auditor's stated opinion regarding the system or service examined and have summarised the high priority recommendations made together with the management response and the anticipated implementation date for each agreed high priority recommendation.
- 3.3 Members will note that, of the 17 completed assignments, 1 resulted in at least one high priority recommendation being made.

3.4 The audit assignments summarised at **Appendix 1** are: -

	Number of Audit Recommendations			
	High	Medium	Low	Total
Caegarw Primary	0	2	0	2
Caradog Primary	0	1	4	5
Cwmbach Primary	0	0	1	1
Cwmdar Primary	0	2	2	4
Hirwaun Primary	0	3	11	14
Maesgwyn School	1	9	5	15
Miskin Primary	0	4	2	6
Parc Primary	0	1	2	3
Park Lane School	0	4	3	7
Penygawsi Primary	0	0	5	5
Perthcelyn Primary	0	4	11	15
Pontygwaith Primary	0	2	2	4
Ton Pentre Junior	0	2	3	5
Tonysguboriau Primary	0	4	7	11
Trealaw Primary	0	5	4	9
Williamstown Primary	0	7	2	9
Ysgol Ty Coch	0	6	2	8

4. SUMMARY

- 4.1 The regular provision of all summarised audit assignments to Audit Committee throughout the year is aimed at assisting Members in evaluating the effectiveness of Internal Audit work across all Council systems and services.
- 4.2 In doing so, it enables Members to form an opinion on the overall control environment prior to the closure of accounts process for 2014/15.

LOCAL GOVERNMENT ACT, 1972
as amended by
THE ACCESS TO INFORMATION ACT, 1985
RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL
LIST OF BACKGROUND PAPERS
AUDIT COMMITTEE
23rd March 2015

Report of the Group Director, Corporate & Frontline Services

Author: Marc Crumbie (Operational Audit Manager).

Item	File Ref:
4. Finalised Audit Assignments 2014/15	IA / MC
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APPENDIX 1

FINALISED AUDIT ASSIGNMENTS

EDUCATION & LIFELONG LEARNING

CAEGARW PRIMARY SCHOOL

Date: 06/02/2015

INTRODUCTION

The self-evaluation process is designed to assess the effectiveness of the financial and governance arrangements at a school. The process requires primary schools to complete a self-evaluation checklist against expected controls.

Caegarw Primary School was last subject to an Internal Audit Review in December 2009 and this is the third cyclical visit made to the school to examine progress made under the self-evaluation process.

AUDIT OPINION

Overall, the control environment at the School is considered to be effective.

The School has a Child Protection policy in place, and this was last reviewed and ratified by Governors in the Spring Term 2014. This is planned for review and ratification the same time in 2015. Training undertaken in respect of Safeguarding was evident with certificates present. A record of DBS checks was in place, although it was noted that there were four members of staff on the Vision report that were not on the school's list. The School use the Evolve system to document and authorise all planned trips within our sample.

Based upon the testing undertaken, records in respect of the School Private Fund indicate the account is well administered. The Treasurer maintains detailed records, and all income and expenditure transactions had an adequate audit trail. The account is regularly reconciled and income is banked promptly. All expenditure incurred is solely for the benefit of the pupils.

Dinner money is updated to SIMS on a Monday and Tuesday (when the majority of the dinner money is received), however, anything received afterwards is not updated until the end of the week; therefore SIMS does not reflect an accurate record of income received nor does it indicate accurate arrears totals (at a 'point in time'). Details of outstanding monies are reported to Catering Finance on a half termly basis and no significant levels of arrears were noted.

There was a sufficient audit trail in respect of Purchase Card transactions. The records are kept up to date and were evidently reconciled to the Barclaycard system with transactions being reviewed and authorised on the system.

Purchasing is administered via SIMS with the school clerk recording delivery details and invoice details (as well as retaining copies of invoices) on SIMS.

Implementation of the two recommendations contained within the report will enhance the overall control environment further.

No High Priority Recommendations Made

CARADOG PRIMARY SCHOOL

Date: 18/02/2015

INTRODUCTION

The self-evaluation process is designed to assess the effectiveness of the financial and governance arrangements at a school. The process requires primary schools to complete a self-evaluation checklist against expected controls.

Caradog Primary School was last subject to an Internal Audit Review in November 2010 and this is the third cyclical visit made to the school to examine progress made under the self-evaluation process.

AUDIT OPINION

Overall, the control environment at the School is considered to be effective.

The School has a Child Protection Policy in place, and this was last reviewed in March 2014. Training undertaken in respect of safeguarding was evident with certificates present. A record of DBS checks was in place but requires minor amendments to reflect staffing changes since the start of the financial year. The School use the Evolve system to document and authorise all planned trips within our sample.

Records in respect of the School Private Fund indicate the account is well administered. The Treasurer maintains detailed records, and all income and expenditure transactions had an adequate audit trail. The account is regularly reconciled and income is banked promptly. All expenditure incurred is solely for the benefit of the pupils. An issue in relation to the School minibus was noted where the School Private Fund is initially funding any costs relating to the school minibus, however, this is subsequently reimbursed at some point throughout the year via the PTA.

Dinner money is updated to SIMS daily and banked promptly, and the School are following the prescribed policy to recover school meals arrears. Details of outstanding monies are reported to Catering Finance on a half termly basis. Testing identified that free school meals are only being served to those for whom eligibility has been confirmed and retained.

There was a sufficient audit trail in respect of Purchase Card transactions. Records are kept up to date and were evidently reconciled upon receipt of the bank statements.

The School are using the 'Non Order' payment method (via SIMS) frequently to make payment for items ordered and instances were noted whereby an official order should have been raised or the purchase made via the School Purchase Card.

Implementation of the recommendations contained within the report will enhance the control environment further.

No High Priority Recommendations Made

CWMBACH COMMUNITY PRIMARY

Date: 27/01/2015

INTRODUCTION

The self-evaluation process is designed to assess the effectiveness of the financial and governance arrangements at a school. The process requires primary schools to complete a self-evaluation checklist against expected controls.

This is the first cyclical visit to Cwmbach Community Primary School since the amalgamation of the former Infants and Junior schools to the same site which were last visited in July 2007 and May 2009 respectively.

AUDIT OPINION

Overall, the control environment at the School is considered to be effective.

The School has a Child Protection policy in place, and was last reviewed and ratified by Governors in Spring Term 2014. This is planned for review and ratification the same time in 2015. Training undertaken in respect of Safeguarding was evident with certificates present. An up to date record of DBS checks was in place. The School use the Evolve system to document and authorise all planned trips.

Records in respect of the School Private Fund indicate the account is well administered. The Treasurer maintains detailed records, and all income and expenditure transactions had an adequate audit trail. The account is regularly reconciled and income is banked promptly. All expenditure incurred is solely for the benefit of the pupils.

Dinner money is updated to SIMS daily and subsequently banked promptly. Details of outstanding monies are reported to Catering Finance on a half termly basis. The school are following the prescribed arrears procedures and no significant levels of arrears were noted.

There was a sufficient audit trail in respect of Purchase Card transactions. The records are kept up to date and were evidently reconciled to the Barclaycard system. Whilst the transactions made this financial year have been reviewed on the Barclaycard system they had not been authorised; this was addressed during the visit. There is no signing in and out record maintained to record instances where staff use the purchase card.

Purchasing is administered via official F111 Order books and copies of invoices also retained.

Implementation of the recommendation contained within the report will enhance the overall control environment further.

No High Priority Recommendations Made

CWMDAR PRIMARY SCHOOL

Date: 15/01/2015

INTRODUCTION

The self-evaluation process is designed to assess the effectiveness of the financial and governance arrangements at a school. The process requires primary schools to complete a self-evaluation checklist against expected controls.

Cwmdar Primary School was last subject to an Internal Audit Review in April 2010 and this is the third cyclical visit made to the school to examine progress made under the Self Evaluation Process.

AUDIT OPINION

Overall the control environment at Cwmdar Primary School is effective with opportunity for improvement.

The school has a Child Protection Policy that is reviewed annually and the school have adopted the RCT staff disciplinary procedures which have been agreed by Governors.

Level 1 training was provided to staff in February 2014. There is a whole school certificate retained at the School as evidence of this training; however there is no record detailing each member of staff who attended.

All staff have appropriate DBS checks. There was a record at the School of staff DBS information, however it is out of date and contains details of staff who are no longer at the school.

The control environments relating to the School Private Fund, Purchase Card and Collections & Deposits and School Meals are effective. All areas are efficiently administered and as a result no issues were identified in these areas.

The School Clerk maintains a manual ledger for the School Private Fund which includes details of all income and expenditure incurred, and a running balance. No issues were identified in terms of recording and banking income received during the sample period examined, and the expenditure was in line with the School Private Fund Regulations.

All purchase card transactions examined were appropriate and receipts / confirmation of purchases were present.

There were no issues in terms of collecting, recording and banking dinner money. The Headteacher reviews all records and there are adequate processes in place to ensure that the number of meals ordered each day correspond to the meals served, and that any arrears are chased up.

6 purchase orders were examined as a sample, 3 of which had been raised on SIMS after the goods had been received at the school. All purchase orders, delivery notes and invoices demonstrated evidence of being checked and authorised by the Headteacher.

The school currently have 4 leases relating to hand-dryers, telephone, photocopier however; Education Finance were not consulted prior to entering into the leases.

Implementing the recommendations in the report will ensure that the current levels of control are enhanced.

No High Priority Recommendations Made

HIRWAUN PRIMARY

Date: 26/01/2015

INTRODUCTION

The self-evaluation process is designed to assess the effectiveness of the financial and governance arrangements at a school. The process requires primary schools to complete a self-evaluation checklist against expected controls.

Hirwaun Primary School was last subject to an internal Audit Review in October 2010 and this is the third cyclical visit made to the school to examine progress made under the self-evaluation process.

AUDIT OPINION

Overall, the control environment is considered to be effective with opportunity for improvement.

Policies in respect of Safeguarding and Child Protection have been devised by the School. Training undertaken in respect of Safeguarding was evident on an individual basis but the School are advised to develop a central, collated record. A record of DBS checks was in place but requires minor amendments to reflect recent staffing changes. The Evolve system is used to document and authorise all planned trips.

Dinner Money is updated to SIMS and banked promptly, and arrears are regularly reported and managed as per the Catering Finance School Meal protocol. Free School meals are only provided to those for whom eligibility has been confirmed. The report recommends that the weekly banking returns are examined and certified by the Headteacher in order to demonstrate that an independent check has taken place.

Testing of the School Private Fund identified that the account is regularly reconciled and income is banked promptly. All expenditure incurred is solely for the benefit of the pupils. The report recommends that all Staff are reminded that pupil income records for trips are passed to the Treasurer upon completion of the activities for retention. This will ensure that the School can provide a detailed audit trail of the monies received and subsequently banked.

The Purchase Card system at the School is insufficient and requires improvement due to the lack of a transaction log to record purchases on an ongoing basis, and some noted delays in updating SIMS via cashbook journals. Improving record keeping and the timeliness of recording commitments on SIMS will ensure the effective reconciliation of transactions for both the Purchase Card and Budget account. Establishing a formal recording mechanism for the sharing of the card with other members of staff has also been recommended, a format for this being provided to the School.

While sample testing of the Purchasing system identified that orders are generally raised promptly and have sufficient detail to allow subsequent checks to the delivery and invoice, they are not routinely being signed by the Headteacher.

Implementing the recommendations contained in the report will enhance the current levels of control.

No High Priority Recommendations Made

MAESGWYN SCHOOL

Date: 15/01/2015

INTRODUCTION

The purpose of the audit is to help and advise the school in achieving general standards of good practice in financial administration. The audit also aims to provide the school with a framework to evaluate the effectiveness of its financial administration and where weaknesses are identified to make appropriate recommendations for corrective action.

Maesgwyn Special School was previously subject to an Internal Audit review in July 2005.

AUDIT OPINION

Overall, the control environment at the school is insufficient and requires improvement.

Data Security and Inventory require the most improvement. It is a statutory requirement that schools are registered with the Data Protection Commissioner however; it was identified during the review that Maesgwyn are not registered and appear to have not been registered in previous years. Issues were also noted in marking and recording school equipment / assets. Whilst the school have an inventory it has not been kept up to date. Equipment is also taken off-site (e.g. cameras) but no record is maintained of items being removed from the school premises and subsequently being returned. In addition, there is currently no ICT Policy at the School detailing methods of safeguarding school software / data against viruses and stating the procedure for undertaking backups and the retention of backups.

The school have a Child Protection Policy and have adopted the RCT Staff Disciplinary policy, both of which have been agreed by the Governing Body and are reviewed annually. SIMS is used to record details of training undertaken, however the report produced does not demonstrate to what levels staff have been trained and it also demonstrated that not all staff were present during the last 'whole school' training. The school have an established trip planning procedure and the EVOLVE system was used to record the off-site visits within our sample.

The School Private Fund account was closed at the end of the last academic year (July 2013) but the account was still examined for completeness. Some minor issues were identified, for example, the School Clerk undertook the duties of Treasurer but was not named as the Treasurer of the account; instead both School Clerks were named as Auditors which is in contravention of the School Private Fund Regulations as the role of 'auditor' must be independent of any other School Private Fund role. No issues were found in terms of recording and banking income received, or with the expenditure incurred during that academic year.

When examining the purchase card records it was noted that whilst the transaction log is completed it did not include the latest transactions. There was also evidence on both the transaction log and bank statements of reconciliation, however the documents had not been signed or dated to demonstrate who undertook the reconciliation and whether it was undertaken promptly upon receipt of the bank statements. It is also a requirement that cashbook journals are undertaken after each purchase to ensure that SIMS is up to date, however the cashbook journals were being completed / up dated on a monthly basis. Notwithstanding this, the purchase card account is well organised and receipts / confirmation was found for each of the transactions examined as a sample. The School's collections & deposits process and dinner money records were well administered. During the sample period examined, all income collected had been appropriately recorded and banked without delay. The School Clerk and School Cook liaise with each other on a weekly basis to ensure that the

number of meals originally ordered agree to the meals served, with any discrepancies investigated. All catering returns are submitted to Catering Finance as required and the school have adequate processes in place to chase any arrears. The only issue identified in this area was that despite the School Clerk stating that the Headteacher reviews the dinner money records, the catering and banking reports had not been signed by the Headteacher as evidence of this review.

All purchase orders selected in our sample were raised prior to receipt of the goods and appropriately signed by the Headteacher. Each order also demonstrated evidence of being checked upon receipt. It is a requirement that the cheque authorisation slips produced from SIMS when issuing a cheque is signed by a cheque signatory to demonstrate that all of the details have been verified prior to sending payment, however no cheque authorisation slips were seen at the time of the review.

The school currently have 5 leases for hand dryers, IT equipment and a franking machine. There was uncertainty as to whether approval was sought from Education Finance prior to entering into these leases.

No significant issues were identified when examining Budgetary Control and School Income. The budget agreed by Governors at the start of the financial year agrees to the budget on SIMS and the Headteacher maintains a file of reports from SIMS on a regular basis to demonstrate that the budget is being reviewed often. All income received during the sample period was appropriately recorded on SIMS and corresponded to the bank statements. However it was found that the School Clerk, who is responsible for collecting, recording and banking income received for the school budget, also undertakes the reconciliation process, therefore there is no independent review. In addition, the Headteacher is able to approve virements up to £3,000.00 and the school clerk undertakes the budget virements on SIMS following a verbal request from the Headteacher; however, no formal record is maintained.

It is acknowledged that the full time School Clerk was seconded to another post outside of the school during the last academic year and only returned in September 2014. It is therefore recognised that the officer was still catching up on paperwork during the time of the audit and some of the issues identified may be partly attributable to that; however it should also be noted that there are recommendations made in the report that relate to both the School Clerk and Headteacher.

Ref. No.	High Priority Audit Recommendations made & Agreed by Management	Agreed Implementation Date
5.6.1	<p>AGREED RECOMMENDATION</p> <p>The school should register with the Data Protection Commissioner immediately and retain the certificate at school.</p> <p>MANAGEMENT RESPONSE</p> <p>Implemented.</p>	Implemented

MISKIN PRIMARY SCHOOL

Date: 24/02/2015

INTRODUCTION

The self-evaluation process is designed to assess the effectiveness of the financial and governance arrangements at a school. The process requires primary schools to complete a self-evaluation checklist against expected controls.

Miskin Primary School was last subject to an Internal Audit Review in June 2009 and this is the third cyclical visit made to the school to examine progress made under the self-evaluation process.

AUDIT OPINION

Overall, the control environment relating to the School's financial administration is considered to be effective with opportunity for improvement.

In respect of purchasing, 22 orders were examined within the manual order book whereby it was found that 19 of the copy orders had not been signed as authorised by the Headteacher.

The School has developed a Child Protection Policy which is reviewed annually. Training undertaken in respect of Safeguarding was also evident and a central record of DBS checks was in place but requires minor amendments to reflect recent staffing changes. The Evolve system is used to document and authorise planned trips, although not all had been appropriately updated at the time of audit.

Records in respect of the School Private Fund indicate the account is well administered. The Treasurer maintains detailed records, and all income and expenditure transactions had an adequate audit trail. The account is regularly reconciled and income is banked promptly. All expenditure incurred is solely for the benefit of the pupils. The only issue noted relates to a Fund Auditor being a relation of a cheque signatory, which is not permitted.

The School have one Purchasing Card in use which is used regularly. The School however do not maintain a record of when the card is shared with anyone apart from the cardholder. The card is reconciled on a monthly basis, however it was found that the manual record maintained by the clerks is not fully complete, with the date of transactions not recorded and the descriptives used for purchases not being adequate.

Dinner money is updated to SIMS and banked promptly, and the School have established arrears procedures in conjunction with the half termly reporting process to Catering Finance. Testing identified that free school meals were only provided to those for whom eligibility had been confirmed and retained.

Implementing the recommendations contained in the report will further enhance the current levels of control.

No High Priority Recommendations Made

PARC PRIMARY SCHOOL

Date: 23/01/2015

INTRODUCTION

The self-evaluation process is designed to assess the effectiveness of the financial and governance arrangements at a school. The process requires primary schools to complete a self-evaluation checklist against expected controls.

Parc Primary School was last subject to an Internal Audit Review in October 2009 and this is the third cyclical visit made to the school to examine progress made under the self-evaluation process.

AUDIT OPINION

Overall, the control environment at the School is considered to be effective.

The School has a Child Protection Policy in place, and this was last reviewed and ratified by Governors in November 2014. This is planned for review and ratification the same time in 2015. Training undertaken in respect of Safeguarding was evident with certificates present. A record of DBS checks was in place and was correct when compared to the Vision system. It was also noted that the School maintains a record of DBS checks for supply/visiting staff and have obtained DBS checks for all members of the Governing Body. The School use the Evolve system to document and authorise all planned trips.

Records in respect of the School Private Fund indicate the account is well administered. The Treasurer maintains detailed records, and all income and expenditure transactions had an adequate audit trail. The account is regularly reconciled and income is banked promptly. All expenditure incurred is solely for the benefit of the pupils. The School holds a standing balance on the account of approximately £17,600 and should consider moving it to a deposit account.

Dinner money is updated to SIMS daily and subsequently banked promptly; however when reconciling the income between the SIMS system to the total income actually banked, a variance of £12.14 was noted in the bank account. This indicates that it had not been updated onto SIMS and accordingly greater care must be taken to ensure that school meals income is updated to SIMS accurately. Details of outstanding monies are reported to Catering Finance on a half termly basis and the School have recovery procedures in place.

There was a sufficient audit trail in respect of Purchase Card transactions. The records are kept up to date and were evidently reconciled to the Barclaycard system with transactions being reviewed and authorised on the system.

Implementation of the recommendations contained within the report will enhance the overall control environment further.

No High Priority Recommendations Made

PARK LANE SPECIAL SCHOOL

Date: 15/01/2015

INTRODUCTION

The purpose of the audit is to help and advise the school in achieving general standards of good practice in financial administration. The audit also aims to provide the school with a framework to evaluate the effectiveness of its financial administration and, where weaknesses are identified, to make appropriate recommendations for corrective action.

Park Lane Special School was previously subject to an Internal Audit review in September 2009.

AUDIT OPINION

The control environment at the School is considered to be effective with opportunity for improvement.

The School have a Child Protection Policy that is reviewed on an annual basis and have adopted the RCT Staff Disciplinary Policy. At the time of the review, the School had their own record of staff who were DBS checked. However; it was out of date and there were variances in terms of the DBS reference numbers and issue dates. However, during the review the school clerk obtained and saved an up to date record from Vision. This record needs to be maintained when necessary

The School Private Fund is not in regular use. When examining income collected and banked during the sample period, it was found that income is not being recorded as and when it is received. Instead, when the income is ready to be banked, the lump sum is recorded on the ledger on the day of banking. Therefore, there is no way of identifying how long income had been retained at the School before it was banked. There is also a risk that if any of that money went missing, no record would be present at the School to show what should have been there. There were no issues in terms of the nature of the expenditure incurred from the fund and receipts were present for each of the expenditure transactions examined.

Currently, there are 3 cheque signatories for the School Private Fund and 2 signatures are required to authorise a cheque. However one of the current cheque signatories retired in July 2014.

Collections & Deposits and School Meals are administered well. The school clerk and school cook liaise on a daily basis to ensure that the meals ordered each day agree to the meals served. Any variances are then investigated. There was evidence on the catering and banking returns to demonstrate that the Headteacher regularly reviews the records. SIMS is updated daily with dinner money received and the amount of unbanked money at School at the time of the review (£493.75) agreed to SIMS. Dinner money is banked every Friday, however during the sample period examined, it was found that in excess of £200 was reached every Tuesday, but not banked until Friday (along with any additional money collected by then). A recommendation has been made in the report, setting out that where possible, the School should bank more often to ensure that no large sums of money are held on-site.

There were no issues in terms of purchase orders. All of the orders examined were raised, authorised and checked accordingly. However the school currently have 3 leases relating to a telephone system and photocopiers, and there was uncertainty as to whether approval was sought from Education Finance before entering into the leases.

No issues were identified with the purchase card. The transaction log is completed as and when transactions occur. There were no queries in terms of the nature of the expenditure incurred on the purchase card. Receipts were present for each of the 25 transactions examined from April - September 2014. The

school do not withdraw cash from their purchase card.

No High Priority Recommendations Made

PENYGAWSI PRIMARY SCHOOL

Date: 21/01/2015

INTRODUCTION

The self-evaluation process is designed to assess the effectiveness of the financial and governance arrangements at a school. The process requires primary schools to complete a self-evaluation checklist against expected controls.

Penygawsi Primary School was last subject to an internal Audit Review in October 2010 and this is the third cyclical visit made to the school to examine progress made under the self-evaluation process.

AUDIT OPINION

Overall, the control environment at the School is considered to be effective.

The School reviewed their Safeguarding Policy in May 2014 and training undertaken by staff was documented via a training record contained in the policy. Testing identified that all staff had received appropriate clearances before commencing in their post. A record of DBS information was available at the School but requires minor amendments to reflect recent staffing changes. The Evolve system is used to document and authorise all planned trips.

The School Private Fund is well run with detailed records that provide an adequate audit trail for all income and expenditure transactions. The account is subject to regular reconciliation and no undue delays in banking income were evident. All expenditure examined was considered to be of sole benefit to the pupils.

The maintenance of the budget on SIMS was good and notwithstanding one minor delay in updating an income transaction, the system accurately reflects all income due and expenditure incurred. The report recommends that the School ensure they consistently record budget virements and that all are evidently authorised by the Headteacher to demonstrate his knowledge and approval.

Dinner money is updated to SIMS and banked promptly, and the School have established arrears procedures in conjunction with the half termly reporting process to Catering Finance. Testing identified that free school meals were only provided to those for whom eligibility had been confirmed and retained.

While the School have devised an inventory of all their assets, this has not been revisited for some time. The report recommends that the School review the inventory to ensure that it is accurate and that any new purchases since are incorporated.

Implementing the recommendations contained in the report will further enhance the control environment.

No High Priority Recommendations Made

PERTHCELYN COMMUNITY PRIMARY

Date: 06/02/2015

INTRODUCTION

The self-evaluation process is designed to assess the effectiveness of the financial and governance arrangements at a school. The process requires primary schools to complete a self-evaluation checklist against expected controls.

Perthcelyn Community Primary School was last subject to an Internal Audit Review in October 2010 and this is the third cyclical visit made to the school to examine progress made under the self-evaluation process.

AUDIT OPINION

Overall, the control environment is considered to be effective with opportunity for improvement.

Some improvements are required to the School Private Fund. A record of daily income had not been established and as a result the audit trail in respect of income other than trips (which was documented via spreadsheet records) was incomplete. Implementing this will provide a collective receipting function for the account and assist in documenting the true 'cash in hand' balance at the School. The practice of retaining trip income until it is collected in its entirety should also cease to reduce the risk to the Treasurer in storing and transporting the sums accrued. All expenditure, reviewed in our sample, was incurred solely for the benefit of the pupils.

Policies in respect of safeguarding and child protection have been devised by the School. Training undertaken in respect of safeguarding was evident on an individual basis but the School are advised to develop a central, collated record. Testing identified that all staff had received appropriate clearances before commencing in their post, although a record of their DBS information was not available at the School. The Evolve system has been used to record those trips which are deemed adventurous (and therefore require LEA approval), although manual records in respect of other trips were available for inspection. The report recommends that all trips are recorded via Evolve in future.

Dinner money is updated to SIMS and banked promptly, and arrears are regularly reported and managed in line with the Catering Finance School Meal Protocol. Free school meals are only provided to those for whom eligibility has been confirmed. The report recommends that the weekly banking returns are examined and certified by the Headteacher in order to demonstrate that an independent check has taken place.

The report also advises that the School ensure their Purchase Card transaction log is maintained on an ongoing basis rather than a retrospective basis, and that a record to demonstrate when and to whom the card has been allocated is implemented.

Implementing the report recommendations will ensure that the current levels of control are enhanced.

No High Priority Recommendations Made

PONTYGWAITH PRIMARY

Date: 11/02/2015

INTRODUCTION

The self-evaluation process is designed to assess the effectiveness of the financial and governance arrangements at a school. The process requires primary schools to complete a self-evaluation checklist against expected controls. Pontygwaith Primary School was last subject to an Internal Audit Review in May 2009 and this is the third cyclical visit made to the school to examine progress made under the self-evaluation process.

AUDIT OPINION Overall, the control environment at the School is considered to be effective with opportunity for improvement.

The School has a Child Protection Policy in place which was reviewed and endorsed by Governors in September 2014. Training undertaken in respect of safeguarding was evident with certificates for individuals available. A record of DBS checks was in place. The School used the Evolve system to document and authorise all planned trips within our sample.

Based upon the testing undertaken, records in respect of the School Private Fund indicate the account is well administered. The Treasurer maintains detailed records, and all income and expenditure transactions had an adequate audit trail. The account is regularly reconciled and income banked promptly.

All expenditure incurred is solely for the benefit of the pupils. An issue was noted relating to one of the Fund Auditors also being a named signatory.

Dinner money is updated to SIMS and subsequently banked promptly, and the School have established arrears procedures. Details of outstanding monies are reported to Catering Finance on a half termly basis. Testing identified that free school meals are only being served to those for whom eligibility has been confirmed and retained.

There was a sufficient audit trail in respect of Purchase Card transactions. The records are kept up to date and were evidently reconciled upon receipt of the bank statements. Instances were however noted whereby purchases/payments have been made via the non order payment method which should have been made via a SIMS official order or purchase card.

The maintenance of the budget on SIMS is generally good with the Headteacher and School Clerk meeting regularly to discuss the budget situation. The system accurately reflects all income (received via bank transfer etc) due and expenditure incurred however the lack of orders raised on SIMS reduces the ability to easily and accurately reflect committed expenditure. All virements of monies between budget codes is completed using the Virement Authorisation Form which is signed by both the Headteacher and School Clerk to confirm.

The School have an IT policy in place as a guidance document for use of internet, computers, security issues etc. All data is backed up regularly and the School have recently renewed their registration with the Information Commissioner.

Implementing the recommendations contained in the report will enhance the overall control environment further. **No High Priority Recommendations Made**

TON JUNIOR SCHOOL

Date: 04/02/2015

INTRODUCTION

The self-evaluation process is designed to assess the effectiveness of the financial and governance arrangements at a school. The process requires primary schools to complete a self-evaluation checklist against expected controls.

Ton Pentre Junior School was last subject to an Internal Audit Review in April 2009 and this is the second cyclical visit made under the self evaluation process.

AUDIT OPINION

Overall, the control environment at the School is considered to be effective with opportunity for improvement.

The school has a Child Protection / Safeguarding policy that is reviewed on an annual basis. The School have also adopted the RCT Staff Disciplinary procedure and both policies have been approved by the Governing Body. The Headteacher and Deputy Headteacher have been named as the members of staff responsible for dealing with safeguarding issues. A member of the Governing Body has also been designated responsibility for safeguarding issues.

There was an attendance list at the School demonstrating the staff who attended the last 'whole school' safeguarding training in January 2013. However there is currently no central record of training to ensure that training requirements are reviewed on a regular basis e.g. annually. The record of DBS information at the School contained DBS reference numbers only (all staff had DBS checks prior to commencing in their posts).

All trips and activities are being recorded and approved on Evolve.

The School Private Fund is well organised. There were no issues in terms of recording and banking income. The School Clerk records income and expenditure on an electronic ledger, however at the time of the review the ledger was not being printed on a monthly basis for reconciliation purposes. All expenditure examined during the sample period was appropriate i.e. for the benefit of the pupils, and was accompanied by a receipt or recorded on a Record of Expenditure Without Receipt form.

There are two Purchase Cards at Ton Pentre Junior School. Receipts were present to support the transactions chosen as a sample; however a £25 voucher was purchased as a gift for a volunteer at the school. This type of expenditure may have been more suitably financed via a staff collection, rather than from the School's budget. The transaction log is maintained appropriately and up to date. No cash is withdrawn from the Purchase Cards, nor are the Purchase Cards used by other members of staff.

There were no issues in terms of Collections & Deposits and School Meals. The Headteacher had reviewed and signed each catering and banking return during the sample period examined. Dinner money is recorded on SIMS on the day of collection and banked the same day. There are controls in place to ensure that the number of meals served each day correspond to the number of meals originally ordered and appropriate processes in place for pursuing arrears.

No High Priority Recommendations Made

TONYSGUBORIAU PRIMARY

Date: 13/01/2015

INTRODUCTION

The self-evaluation process is designed to assess the effectiveness of the financial and governance arrangements at a school. The process requires primary schools to complete a self-evaluation checklist against expected controls.

Tonysguboriau Primary School was last subject to an Internal Audit Review in December 2010 and this is the third cyclical visit made to the school to examine progress made under the self-evaluation process.

AUDIT OPINION

Overall, the control environment is considered to be effective with opportunity for improvement.

The School have a Safeguarding and Child Protection Policy, which has recently been subject to review and revision. Training undertaken in respect of safeguarding was evident and the School use the Evolve system to document and authorise all planned trips. Testing identified that all staff received the appropriate clearances before commencing in their post, although a record of their DBS information was not available at the School.

Testing of the School Private Fund identified that overall the account is well managed. Sufficient audit trails were evident for income and expenditure transactions, although some of the most recent transactions were yet to have been recorded in the Fund Ledger. The account is subject to regular reconciliation and there were no undue delays in banking noted. Three items of expenditure have been reported as being outside of the scope of the Fund (albeit the values were low), and the Headteacher should ensure that future expenditure from the account is in accordance with the School Private Fund Regulations.

Establishing a recording mechanism for the sharing of the card with other members of staff has also been recommended and a format for this provided to the School.

Dinner money is updated to SIMS and banked promptly, and the School manage their arrears in line with the Catering Finance School Meal Protocol. Testing identified that free school meals were only provided to those for whom eligibility has been confirmed and this information was retained. The only report recommendation for this area of financial administration relates to the lack of an evident independent check. The weekly banking returns should be examined and certified by the Headteacher to demonstrate this in future.

Implementing the recommendations contained in the report will enhance the current levels of control.

No High Priority Recommendations Made

TREALAW PRIMARY SCHOOL

Date: 06/02/2015

INTRODUCTION

The self-evaluation process is designed to assess the effectiveness of the financial and governance arrangements at a school. The process requires primary schools to complete a self-evaluation checklist against expected controls.

Trealaw Primary School was last subject to an internal Audit Review in September 2009 and this is the second cyclical visit made to the school to examine progress made under the self-evaluation process.

AUDIT OPINION

Overall the control environment at Trealaw Primary School is effective with opportunity for improvement.

The school has a Child Protection Policy that is reviewed on an annual basis and has adopted the RCT Staff Disciplinary Procedures. There was a record at the School to demonstrate the staff who attended the last training session for safeguarding, and the school had an up to date and accurate record of staff DBS information.

The School Private Fund is in overall terms administered well. A record is maintained of income collected from each pupil for each activity; however the date income is collected from pupils is not recorded reducing the ability to establish how long income had been at the school prior to banking. There was a variance between the amounts of income recorded as received for 'uniforms' on the ledger to the amount recorded for 'uniforms' on the annual statement that is prepared for Education Finance. There were no issues in terms of the nature of expenditure from the School Private Fund and receipts were present to support each instance of expenditure examined.

The nature of expenditure from the purchase card was also appropriate and receipts were located for each transaction examined. However, the School Clerk does not maintain a transaction log and cashbook journals are not undertaken for each separate transaction; instead several transactions are added together and a cashbook journal undertaken on the total amount.

All dinner money received during the sample period corresponded to the amounts banked; however dinner money is currently banked once a fortnight.

All Collection & Deposit records were reviewed by the Headteacher. There are also controls in place to ensure the meals ordered each day correspond to the number of meals ordered. A sample of 20 free school meals pupils were selected for examination and appropriate authorisation had been obtained for each pupil.

There was clear evidence on the purchase orders selected and corresponding delivery notes and invoices to demonstrate that all documents had been compared for accuracy, and were countersigned by the Headteacher. 1 of the non orders examined should have been raised as an official order as a prior request for the goods / services was made.

The school currently have 7 leases, however prior approval was not obtained from Education Finance.

The Headteacher and School Clerk indicated that they review the budget on a weekly basis; however this is completed on screen only. Budgetary reports are produced for Governors termly. No issues were identified in terms of collection, recording and banking of income into the school budget.

The school is registered with the Data Protection Commissioner with the certificate retained at school as evidence. Back-ups are undertaken daily. The

school has an up to date inventory and I.T. equipment is marked with the School's postcode with indelible ink. Members of staff have been assigned iPads and there is a record at the School demonstrating which members of staff are responsible for each iPad.

Implementing the recommendations in the report will ensure that the current levels of control are enhanced.

No High Priority Recommendations Made

WILLIAMSTOWN PRIMARY SCHOOL

Date: 03/02/2015

INTRODUCTION

The self-evaluation process is designed to assess the effectiveness of the financial and governance arrangements at a school. The process requires primary schools to complete a self-evaluation checklist against expected controls.

Williamstown Primary School was last subject to an internal Audit Review in January 2011 and this is the third cyclical visit made to the school to examine progress made under the self-evaluation process.

AUDIT OPINION

Overall, the control environment relating to the School's financial administration is considered to be effective with opportunity for improvement.

While the School has a Child Protection Policy the Headteacher confirmed the Policy had not been reviewed since September 2012. Training undertaken in respect of safeguarding was also not evident. A record of DBS checks was in place.

The School uses the Evolve system to document and authorise all planned trips.

Budget monitoring is undertaken by the Headteacher. However, during the review it was not possible to formally evidence this review process. Additionally, with the Headteacher newly appointed, she is not aware of her delegated limits for committing the school to expenditure and virements for budgetary control purposes.

Records in respect of the School Private Fund indicate the account is well administered. The Treasurer maintains detailed records, although no Record of Daily Income is maintained for activities other than for school trips. All expenditure transactions had an adequate audit trail. The account is regularly reconciled and income is banked promptly.

Dinner money is updated to SIMS and banked promptly, and the School have arrears procedures in conjunction with the half termly reporting process to Catering Finance. Testing identified that free school meals were only provided to those for whom eligibility had been confirmed and evidence had been retained. Notwithstanding this, it was established that income collected is not always counted when handed over to the office staff; this leaves the School (and staff) in a vulnerable position should any anomalies be identified.

The School have one Purchase Card which is used regularly. There was a sufficient audit trail in respect of purchase card transactions and the records kept were evidently reconciled upon receipt of the bank statements.

The Purchasing system is being administered appropriately and in accordance with guidance. An issue was identified in regard to SIMS authorisation forms, whereby the School currently do not print and authorise the correct form from SIMS.

Implementing the recommendations contained in the report will further enhance the current levels of control.

No High Priority Recommendations Made

YSGOL TY COCH

Date: 15/01/2015

INTRODUCTION

The purpose of the audit is to help and advise the school in achieving general standards of good practice in financial administration. The audit also aims to provide the school with a framework to evaluate the effectiveness of its financial administration and, where weaknesses are identified, to make appropriate recommendations for corrective action.

Ysgol Ty Coch was previously subject to an Internal Audit review in October 2008.

AUDIT OPINION

Overall the control environment at the school is effective with opportunity for improvement.

The school has a Safeguarding Policy in place; however there was no evidence at the School to demonstrate that the Policy reviewed in 2014 had been approved by the Governing Body. There was a record of staff who have received Level 1 safeguarding training at the School but no record of the staff who are trained to a higher level. In addition, there was no record at the School of staff who have been DBS checked (Internal Audit testing confirmed all checks are in place). The Evolve system is being used to record and approve all planned trips.

There is very little activity in the School Private Fund account; however for the sample period examined it was found that on occasions income is either not recorded in the ledger in a timely manner or not recorded at all. Some delays in banking income received were also found, albeit small amounts. All expenditure examined was in line with the School Private Fund Regulations and was supported by a relevant receipt.

Dinner money is recorded on SIMS promptly; however there were some delays in banking the income received. Free school meals are only being served to those for whom eligibility has been confirmed and evidence was retained. Details of any outstanding monies are reported to Catering Finance every half term.

In respect of the Purchase Card, all transactions are referenced on the transaction log and receipts retained, therefore making the reconciliation process easier. Only one instance was identified during the sample period where a receipt was not present to support the expenditure incurred.

Housekeeping issues were identified when examining a sample of purchase orders i.e. orders were raised after receipt of goods, missing signatures and delivery notes had not been dated.

Implementing the recommendations contained in the report will further enhance the current levels of control.

No High Priority Recommendations Made