

**INTERNAL MEMORANDUM**

FROM: Internal Auditor  
Resource Services

TO: K. Tansley  
Head of Leisure Services  
Cc: C Spenser  
Assistant Finance and Administration  
Officer  
M. Kimberley Head of Finance

DATE: 12<sup>th</sup> May 2005

REF: IAR0607-02 A

**Unannounced Till and Float Reconciliation (2005/2006)**

An unannounced audit check of the money held at the Leisure Centres has recently been undertaken.

The audit involved the cashing up of each till, the balancing of the change floats and Petty Cash and postage. The results of the Cash ups are as follows:

**Arnold Leisure Centre – 12<sup>th</sup> May 2006**

	Reception (£) till 12	Reception (£) till 13	Main & Theatre Flex (£)	Petty Cash (£)	Bar (£)
<b>FLOATS</b>	50.00	50.00	500.00	50.00	50.00
<b>Takings per till</b>		151.80			
<b>Reimbursement Vouchers</b>					
	<b>50.00</b>	<b>201.80</b>	<b>500.00</b>	<b>50.00</b>	<b>50.00</b>
<b>Actual Cash counted</b>	50.00	201.50	500.00	?	50.00
<b>Difference (Over/Under)</b>	<b>0.00</b>	<b>0.30 under</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

Note. Postage Stamps are purchased out of petty cash.

The difference on till 13 of **£0.30 (under)** could not be explained.

The main float consisted £45.00 made up of receipts and cash. The total of the receipts was £37.57 for purchase for COFFEE SHOP items and an item for the toilet, which was part of the petty cash as the keys to the tin were held by the officer who was on holiday.

## **ISSUES**

Items purchased for coffee shop are from funds taken from the main float and then replaced after the sales. It is not clear how the income or purchases are recorded and banked.

Most items purchased are zero-rated but there are implications for VAT purposes as to how these [income and purchases] are recorded.

It is understood that the income is recorded takings for coffee shop and banked as a net figure and purchases are not recorded. Management is to establish a procedure to record these transactions in order to account for VAT and show the total income.

*Suresh Mistry*

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AUDITOR - Resource Services