

### INTERNAL MEMORANDUM

FROM: Vince Rimmington - Manager of Resource Services  
 TO: Mark Kimberley – Head of Corporate Services  
 Keith Tansley – Head of Leisure Services  
 CC: Clare Spencer – Assistant Finance & Administration Manager  
 DATE: 22<sup>nd</sup> June 2007  
 REF: IAR0708 – 02a

#### Unannounced Till and Float Reconciliation (2007/2008)

An unannounced spot check of the cash held at the Arnold Leisure Centre was undertaken by Internal Audit on the 26<sup>th</sup> April 2007.

The scope of the review included procedures for the cashing up of tills, balancing of the change floats and petty cash. The results of the review are outlined below:

	<b>Reception (£) Till 12</b>	<b>Reception (£) Till 13</b>	<b>Main &amp; Theatre Flex (£)</b>	<b>Petty Cash (£)</b>	<b>Bar (£)</b>
<b>Floats</b>	50.00	50.00	500.00	50.00	50.00
<b>Takings per till:</b>					
<b>Cash</b>		136.39			
<b>Cheques</b>		(129.00)			
<b>Reimbursement Vouchers</b>				(49.49)	
<b>Recorded Cash Balances</b>		<b>186.39</b>	<b>500.00</b>	<b>0.51</b>	<b>50.00</b>
<b>Actual Cash Counted</b>	50.00	135.89	500.00	0.51	50.00
<b>Variance (Over/Under)</b>	<b>0.00</b>	<b>(0.50)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

NB: Postage Stamps are purchased out of petty cash.

## **Findings & Recommendations**

Whilst the review did not identify any material discrepancies or significant control weaknesses of concern, the following issues and recommendations are brought to the attention of management.

The negative variance on till 13 of **£0.50** could not be explained.

Coffee shop purchases are made using funds from the main float. These funds are replaced after the net income is recorded and banked. The majority of items purchased are zero-rated, however, there are implications for VAT purposes as to how these purchases are recorded. Management should establish procedures to record these transactions in order to account for VAT and record the gross income.

*Suresh Mistry*

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Internal Auditor - Resource Services