

INTERNAL MEMORANDUM

FROM: Vince Rimmington - Manager of Audit and Risk Services

TO: Keith Tansley - Head of Leisure Services

CC: Julie Clarke - Finance & Administration Officer

DATE: 12th July 2010

REF: IAR1011-02d - Redhill Leisure Centre.

Unannounced Till and Float Reconciliation (2010/2011)

Internal Audit undertook an unannounced spot check of the cash held at the Redhill Leisure Centre on the 9th July 2010.

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:

	Reception Till 1 (£)	Reception Till 2 (£)	Safe Float (£)	Petty Cash (£)	Bar Float (£)
Floats	50.00	50.00	500.00	50.00	50.00
Takings per Till	46.70	44.20			
Reimbursement Vouchers				(35.55)	
Recorded Cash Balances	96.70	94.20	500.00	14.45	50.00
Actual Cash counted	96.70	93.80	499.91	4.84	50.00
Variance (Over/Under)	0.00	(0.50) under	(0.09) under	(9.61) under	0.00

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 variances outlined above should be reconciled and the correct balances restored.

The petty cash difference was confirmed by the operations manager as being due to petty cash being taken from the float to purchase items rather than the item being purchased and then being reimbursed.

A number of receipts for petty cash expenditure included both business and personal purchases.

It was also noted that **“IBUPROFANE”** tablets were purchased through the petty cash and this is not an allowable expense.

Management were reminded of the procedures outlined in the Authority’s Financial Regulations, particularly;

- **Items should be purchased and then reimbursed from petty cash against a valid purchase receipt.**
- **Petty cash receipts should only include business expenditure.**
- **Only allowable expenditure should be claimed and medicine is not an allowable expense.**

Suresh Mistry

Internal Auditor – Audit & Risk Services