

Internal  
scrutiny  
summary  
**Hallidays**

# SUMMARY OF INTERNAL SCRUTINY 2022-23

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# Introduction

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The internal audit scope of works for 2022/23 had been agreed in February 2023 following an expectations meeting with Hallidays to discuss the risks of the trust.

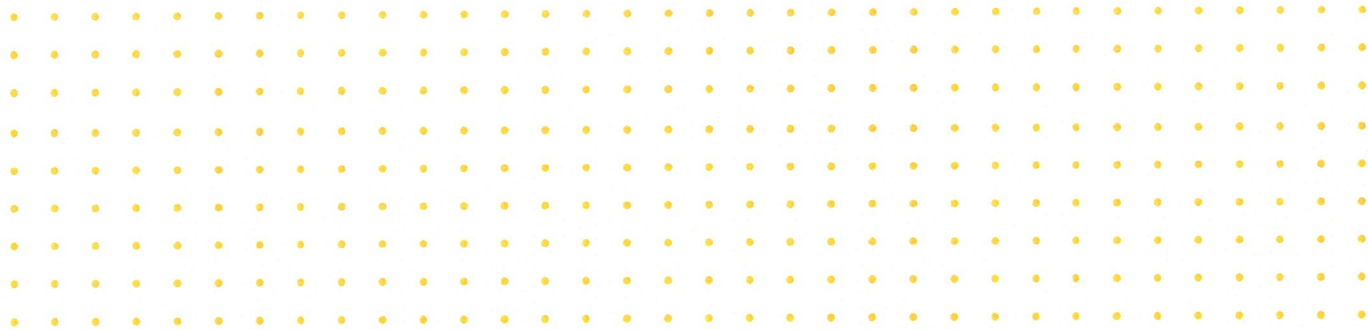
The internal scrutiny plan was agreed and included the following works performed.

Each of the recommendations included within this report are graded as follows:

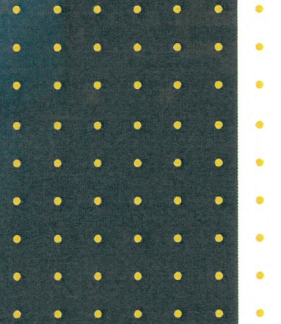
**Significant** – Implementation is essential to ensure that the control environment is adequate and should be addressed immediately.

**Moderate** – Requires attention on a timely basis to ensure that the control environment is not lacking in key controls

**Low** – Implementation is advised to enhance the overall control environment.









# Scope of the Review:

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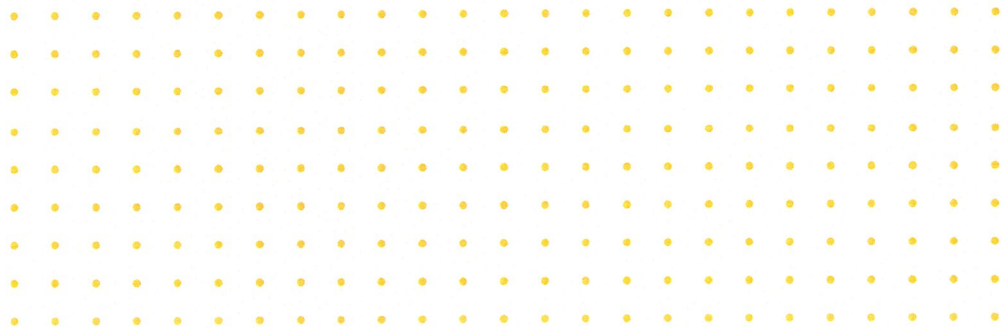
Our review of has concentrated on the following key areas

## Visit 1 & 2

- Payroll, Payroll, Amendment, Payroll Findings
- Purchase findings
- Income, DFE/ESFA Receipt findings
- Petty Cash
- Accounting systems, Bank Reconciliation, Control Account, Nominal ledger

## Visit 3

- Quote/ Tender contract findings
- Income, Miscellaneous income
- Accounting Findings, Management Accounts
- Fixed Asset/ Inventory Findings



## Key findings

No significant findings – The trusts procedures reviewed across the above areas are found to be operating efficiently overall. Please see page 7 for recommendations.







# Recommendations

## Visit One & Two...

- **Payroll Amendments (Low)**
  - Clarify within the financial procedures manual, the signatories who have delegated authority to approve overtime forms
- **Payroll report Findings (Moderate)**
  - We would recommend that following the posting of monthly salary journals, the trial balance is checked to confirm that balances per control accounts are in line with the payroll reports and expectations. If there are differences arising, we would recommend that a control account reconciliation is prepared to provide details of any differences.
- **Purchase Findings (Low)**
  - We would recommend that purchase orders are completed and authorised in line with the FPM ahead of orders being placed with suppliers.
- **Accounting Systems, Bank Reconciliation (Low)**
  - We would recommend that any differences between the bank reconciliation and trial balance are investigated
- **Accounting Systems, Control Account Findings (Low)**
  - We would recommend that any old outstanding debts are chased, or if not considered to be recoverable are discussed with the Board as a potential write off. Ensure that the balance of aged debtors and creditors are checked against the trial balance as part of the month end process and any differences are investigated.

## Management Responses

Recommendations were discussed and noted.

# Recommendations

## Visit Three...


- **Accounting Systems, Management Account Findings (Moderate)**
  - Ensure that management accounts including a balance sheet and cash flow report are shared with the Chair of Trustees on a monthly basis in accordance with point 2.19 of the Academy Trust Handbook.

## Management Responses

Recommendations were discussed and noted.



We are

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**Hallidays**

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