



REPORT TO: AUDIT AND SCRUTINY COMMITTEE ON 25 JUNE 2024

SUBJECT: INTERNAL AUDIT SECTION – COMPLETED PROJECTS REPORT

BY: AUDIT AND RISK MANAGER

1. REASON FOR REPORT

- 1.1 The report advises Committee on the work of the Internal Audit Section for the period from 8 May 2024 to 25 June 2024.
- 1.2 This report is submitted to Committee in terms of Section III (I) (2) and (8) of the Council's Scheme of Administration relating to consideration of reports from the Council's Internal Auditor and monitoring delivery of the audit service through receipt of quarterly reports on work carried out by Internal Audit.

2. RECOMMENDATION

- 2.1 That Committee consider the contents of this report, seeks clarification on any points noted and otherwise notes the report.**

3. BACKGROUND

- 3.1 This report provides details of the following internal audit work concluded during the period 8 May 2024 to 25 June 2024:

Forres Academy

- 3.2 A review of the administrative arrangements within Forres Academy has been completed. The scope of this audit was to undertake a review of the Devolved School Management Scheme in terms of the allocation of funding and the management of these funds at the School. In addition to undertaking an overview of how the School develops, monitors and controls its £5.1 million budget, the audit reviewed the management of the staffing costs involved in delivering the curriculum. The audit checked that non payroll expenditure complied with Financial Regulations and Procurement Guidelines. A review was also undertaken to ensure appropriate accounting arrangements are followed when managing school fund monies. The review found that within the audit scope, Forres Academy was well managed. The executive summary and recommendations for this project are given in **Appendix 1**.

Keith Sports and Community Centre

- 3.3 An audit of Keith Sports and Community Centre has been undertaken. The audit reviewed and evaluated the effectiveness of internal controls relating to income and expenditure. Included within the audit was a review of the income collection and monitoring arrangements of the FitLife? membership scheme. The scope of the audit also included a check that the processing of debit and credit card transactions adhere to the Payment Card Industry Data Security Standard. The Centre provides various services, including a swimming pool, gym, indoor and outdoor sports facilities. In addition, the Centre undertakes the administrative overview and management responsibility for the other Council operated sporting facilities. Findings from the audit found improvements are needed in the administrative arrangements, especially regarding the FitLife? membership scheme. The executive summary and recommendations for this project are given in **Appendix 2**.

4. SUMMARY OF IMPLICATIONS

(a) Corporate Plan and 10 Year Plan (Local Outcome Improvement Plan (LOIP))

Internal audit work supports good governance and the delivery of efficient services.

(b) Policy and Legal

No implications.

(c) Financial Implications

No implications directly arising from this report.

(d) Risk Implications

The independent review of selected systems and procedures mitigates the risks associated with inadequate or ineffective control procedures.

(e) Staffing Implications

No implications.

(f) Property

No implications.

(g) Equalities/ Socio Economic Impacts

No implications.

(h) Climate Change and Biodiversity Impacts

No implications.

(i) Consultations

There have been no direct consultations during the preparation of this report.

5. CONCLUSION

- 5.1 **This report provides Committee with a summary of findings arising from an audit project completed during the review period.**

Author of Report: Dafydd Lewis, Audit and Risk Manager
Background Papers: Internal audit files
Ref: SPMAN-1042990102-235