



Internal Audit Report

Museum & TIC

**Stephen James
Principal Auditor
February 2019**

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Audit: Museum & TIC **Auditor: Stephen James**

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1 Executive Summary

- 1.1 The Audit of the Museum and TIC was taken from the 4 year rolling programme of audits. However, due to a service review and the Novium Manager not being in post the audit was delayed from its initial start date.

The scope of the audit was to look at the following areas:

- Guildhall Weddings
 - Stock Control & Stocktaking
 - Control of Loaned Boxes
 - Grants Received
- 1.2 The format of this report is to raise exceptions only; areas highlighted where improvements should be made. All exceptions raised in this report have already been discussed and actions agreed with the appropriate Service Managers and/or Heads of Service.
- 1.3 For ease of reading I have grouped the findings under the headings detailed in the scope.

2 Findings

2.1 Guildhall Weddings

- 2.1.1 The process for booking and paying for Weddings at the Guildhall was reviewed. It was found that the process is not automated and that invoices were not raised following a booking. Although the number of Weddings that take place is not huge this is an area which is growing in popularity.
- 2.1.2 Invoices are not raised for bookings made, but paid over the phone or at the front desk and therefore do not appear on the debtors report should the applicant default on payment.
- 2.1.3 The reconciliation process for Guildhall Weddings appears to be sketchy with no proper reconciliation being undertaken.

3 Stock Control & Stocktaking

- 3.1.1 Reviewed the Stocktaking system and followed through the process for the Museum and TIC. Procedure notes are present for the EPOS system and all stock purchased is loaded onto the system and any sales are deducted from the system.
- 3.1.2 Items are purchased from the Petty cash system, mostly for milk which is used in the Café other commodities are purchased from a supplier which is delivered straight to the Museum.

3.1.3 There have been cases where old stock that is not suitable for sale has been written off and the appropriate adjustments have been made in the accounts.

3.1.4 Stocktakes are undertaken on an annual basis. A copy of the end of year stock certificate dated April 2018 has been obtained. The original was submitted to Finance for their records.

4. Control of Loaned Boxes

4.1.1 Boxes are loaned to Schools inside and outside of Chichester District and charges for boxes vary according to the hirer's location. The maximum number of boxes that can be loaned is three per term, and there is a collection and drop off fee of £10 each way.

4.1.2 Once the loan form has been received an invoice is raised.

4.1.3 Signatures are required for receipt of boxes, and a fee of £50 is charged for late returns.

4.1.4 When reviewing the aged debt report dated the 23rd January it was identified that four Schools and one College had a red indicator for which recovery action should have been taken, and one School had an amber alert that further action needs to be taken.

4.1.5 Discussions have taken place with the Recovery Officer and a further review will be undertaken to establish the current position regarding these outstanding accounts.

5. Grants Received

5.1.1 Followed through the process for obtaining a Grant for exhibitions.

5.1.2 The Novium has been successful in obtaining 4 smallish Grants from various organisations during 2018/2019. The one that was followed through was a Grant from The Roman Research Trust & the Roman Society to cover the costs of a Roman Week. The majority of the Grant was to cover the cost of a re-enactment.

5.1.3 A record is kept of how the Grant has been spent and a report is produced at the end of the process which explains when the event was held and gives an explanation of how the re-enactment took place, how well it was attended, feedback from the public and the finance and marketing support from local organisations.

5.1.4 A report is not produced for a Committee; however, Culture and Sport include an item in the Members Bulletin that a Grant has been successfully achieved and what it is for. They also do a press release and report back again through the Members Bulletin how successful the project has been.

6 Conclusion

- 6.1 The management and control arrangements for areas audited were found to be working satisfactory. However, further strengthening of controls needs to be undertaken in some areas.
- 6.2 All areas where improvements have been identified are reported below in an Action Plan. This plan also shows agreed actions, the responsible officer and target dates.

7 Agreed Actions

- a. The agreed Action Plan can be seen at Appendix 1 to this report.
- b. In order to prioritise actions required, a High, Medium and Low risk factor has been applied to identify issues raised as follows:

High – Significant areas of improvement to be addressed

Medium – Important areas of improvement to be addressed

Low – Minor areas of improvement to be addressed

8 Agreed Action Plan – Appendix 1

Finding Ref:	Areas for Improvement	Priority	Agreed Actions	Responsible Officer	Target Date
2.1.2	That invoices are raised for bookings made for Weddings to be held at the Guildhall.	Medium	Agreed	Museum & TIC Manager	Sept 2019
2.1.3	That a reconciliation is undertaken of income from Guildhall Weddings.	Medium	Agreed	Museum & TIC Manager	Sept 2019
4.1.5	Monthly monitoring of the aged debt report is undertaken and appropriate action taken to recover the debt.	Medium	Agreed	Museum & TIC Manager	Sept 2019