

2. Leisure Centres - Food & Beverages Audit Report Executive Summary

Audit Objective The main objective of this audit was to review the adequacy and effectiveness of the system of internal controls designed to manage and mitigate financial and non-financial risks relating to the operation of food and beverage services across the Leisure Centres.

Assurance Opinion	Whilst there is a basically sound system of internal control there are weaknesses which put some of the objectives at risk or there is evidence that the level of non-compliance with some of the controls may put some of the objectives at risk	Number of actions	
		Priority	Number
Satisfactory		High	0
		Medium	4
		Low/Advisory	1
		Total	5

Audit Approach and Scope
 The scope of the audit included a review of the following:
 - testing of key controls as shown below

The period covered by the audit is April 2023 to-date.

Note: An audit report on the SSP was issued in February 2023 and one on Accounting for Leisure Income in April 2023. This audit covers in more detail the processes in operation in respect of food and beverage processes.

Key controls tested	Assessment	Actions Raised
Policies and procedures		
Staff induction, training & meetings		
Health & safety		
Incoming recording and reconciliation		<ul style="list-style-type: none"> Accurate financial information not available to accurately determine the profitability of the Food & Beverage functions Unders and overs not coded to a separate financial code
Invoicing		<ul style="list-style-type: none"> 3 invoices found which had been outstanding for more than 5 months
Ordering of goods & services		<ul style="list-style-type: none"> Procurement of some suppliers not made in accordance with contract regulations
Licensing		
Performance monitoring		
Marketing		

Summary and next steps
 Generally processes are working well, there are clear guidelines for Food & Beverage staff to follow and staff appear to receive regular training and team meetings.

This is a final report of the audit findings and incorporates the remedial action agreed with the Food & Beverage Manager and the Service Accountant for Leisure Facilities. Remedial action has been agreed with management for all the findings identified.