



Audit Report

Management and Operation of the Garda Officers' Club

Date Issued: 08/02/2022



**GARDA
INTERNAL
AUDIT
SERVICE**

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1. Executive Summary

This audit examined the management controls and procedures in respect of the Garda Officers' Club (GOC) within An Garda Síochána (AGS). The GOC is based in the Officers' Club building within Garda HQ. This is a heritage building owned by the State and maintained by the Office of Public Works (OPW). The GOC provides meeting and function facilities and is also used for official accommodation purposes.

1.1 Summary of Findings

The audit findings are detailed in the main body of this report and key findings are summarised below:

- Non-efficient cash management in relation to income;
- Policies and procedures for management of the GOC are not documented;
- Finance Code is not being followed for expenses and income;
- Asset register for the GOC is incomplete;
- There is no risk register for the GOC.

1.2 Audit Assurance Level

The overall assessment of the control environment is considered by the auditors to be **Limited** due to the significance of the findings identified by the audit.

The following table sets out the number of findings, and their ranking.

	Potentially Systemic	Applicable to Location Audited	Total
High	-	-	-
Medium	-	4	4
Low	-	1	1
Total	-	5	5

1.3 Acknowledgements and Limitations

Garda Internal Audit Service (GIAS) would like to thank all personnel who provided information for this audit, in particular those managing and operating the Garda Officers' Club.

The contents of this report should be considered in the context of the following:

- Findings are based on information provided by the team managing the Officers' Club and by Finance and Services Directorate;
- The findings and associated risks identified are not exhaustive and no assurance is provided that additional risks do not exist.

2. Terms of Reference

2.1 Audit Objectives

To provide assurance on the effectiveness of oversight and controls in place regarding use of the Garda Officers' Club as an official meeting and accommodation venue.

2.2 Audit Scope and Methodology

This audit focused primarily on financial management, governance, and the controls in place relating to management and protection of public property. GIAS undertook the following steps:

- Reviewed the governance structure and oversight for the GOC;
- Analysed policy, procedures and processes in place for the GOC;
- Examined financial management of the GOC;
- Determined if there are adequate resources assigned to the GOC to carry out its function;
and
- Interviewed key personnel.

Records for the period January to June 2021 were included within the scope of the audit.

3. Detailed Findings and Recommendations

Listed hereunder are all the key audit findings, implications and recommendations together with a time schedule for the implementation of the recommendations.

Findings	Risk / Potential Implication	Recommendations	Management Comment
3.1 Income and booking management			
<p>GIAS examined the system in place for booking accommodation in the Garda Officers' Club. Booking is managed on an Excel spreadsheet, while income received is recorded by hand in a book. Through substantive testing, GIAS found a discrepancy between guests recorded on the spreadsheet and money received in the receipt book.</p> <p>Guests are frequently in credit/debit rather than paying for each night's stay as it passes.</p> <p>Cash builds up to significant levels before being deposited in the bank. In the period examined, a total of €5,460 in cash was handled, with €1,565 in cash left on the premises in one month. Monthly reconciliation is not completed before deposits are made.</p> <p>January bank lodgement of €750 was lodged to the incorrect AGS bank account in error.</p>	<p>Gaps in cash management processes can put the organisation at risk of theft, inefficiencies, and other cash management challenges that could otherwise be avoided.</p> <p>Cash shortages not identified due to the lack of a reconciliation process results in a financial loss to AGS.</p> <p>Cash not being lodged to the appropriate account due to administrative error results in misstatements in AGS appropriation accounts.</p>	<ol style="list-style-type: none"> 1. Booking and control processes should be documented in a procedure manual. 2. Income received for the use of the facility and guests staying on site should be recorded in one system. 3. A card machine should be installed in the GOC to ensure that income is recorded in the correct bank account. 4. Reconciliations should be completed on a monthly basis. 5. Consideration should be given to reviewing previous years' income to confirm that it has been lodged to the correct bank account. 	<p style="text-align: center;">Medium</p> <p>Management Comment: Rec 1; agreed. Rec 2; agreed. Rec 3; agreed. The Garda Officers Club (GOC) would welcome the opportunity to address the discrepancies mentioned, by identifying the corresponding payments. The GOC has confidence that every stay has been paid for, with any discrepancy in the period examined due to the system of credits through the then practice of overpayments. Rec4; agreed. Rec 5; agreed. This arose from the delayed notification to GOC of a change in bank account by AGS. GOC will engage with Finance section to review.</p> <p>Responsible Person: Rec 1; Gda GOC, Insp Cmr's office. Rec 2; Gda GOC, Insp Cmr's office. Rec 3; Gda GOC, Insp Cmr's office. Rec 4; Gda GOC, Insp Cmr's office. Rec 5; Gda GOC, Insp Cmr's office.</p> <p>Implementation Date: Rec 1; Procedure manual to be drafted by June 2022. Rec 2; Jan 2022. Rec 3; GOC applied to Finance in Jan 2022 for a card machine, which will be used immediately on receipt. Rec 4; Reconciliation for Jan 2022 to be undertaken in Feb 2022 & for each month following. Rec 5; June 2022.</p>

Findings	Risk / Potential Implication	Recommendations	Management Comment
<p>3.2 Expenditure</p> <p>All expenses with corresponding invoices were found to be appropriate to the function of the GOC. Segregation of duties regarding expenses exists, with staff in the GOC preparing expense forms and the Finance Directorate processing them for payment. However, none of the expenses sampled included a formal approving signature for payment on the A8.</p> <p>25% of sampled expenses (with a total value of €215) were found to be recharge items. On two occasions, recharge items, which correspond to one expense in the sample, were charged to the incorrect cost centre.</p> <p>The Finance Code is not being followed by all staff managing expenses.</p>	<p>Inappropriate expenditure due to a lack of adherence to the Finance Code results in a lack of value for money for AGS.</p>	<p>6. Finance code should be adhered to in terms of approval and recording of expenditure.</p> <p>7. Care should be taken when recharging cost centres to ensure departmental budgets accurately reflect expenditure.</p>	<p>Low</p> <p>Management Comment: Rec 6; agreed. Rec 7; agreed. The process of recharging cost centres is administered by Finance section based on data supplied by GOC.</p> <p>Responsible Person: Rec 6; Gda GOC, Insp Cmr's office. Rec 7; Gda GOC & Finance Section.</p> <p>Implementation Date: Rec 6; Jan 2022. Rec 7; Jan 2022.</p>

Findings	Risk / Potential Implication	Recommendations	Management Comment
<p>3.4 Fixed asset register</p> <p>No complete register of assets belonging to the State exists. Finance provided a list which only detailed white kitchen goods.</p>	<p>Without an accurate record of AGS's assets, appropriation accounts are not compiled accurately and missing items will not be identified.</p>	<p>9. Complete asset register should be compiled and officially maintained.</p>	<p>Medium</p> <p>Management Comment: Rec 9; agreed.</p> <p>Responsible Person: Rec 9; Gda GOC, Insp Cm^r's office.</p> <p>Implementation Date: Rec 9; Dec 2022.</p>



