The Insolvency Service

ORS Audit and Assurance Log Guidance

2024/2025

The Insolvency Service

The audit log guidance should be read in conjunction with the Audit and Risk Manual.

Any queries regarding the audit log guidance, audit logs, audit & risk manual or audit regime should be addressed to the Audit & Risk Team (ART) ORS.Assurance@insolvency.gov.uk

ORS Audit Regime

The ORS Audit Regime has 3 elements,

- Audit Plan – audits planned and audit RAYG ratings at-a-glance
- Audit Logs – contain audit evidence
- Audit Summary of Findings – summary of findings and remedial action taken

Audit & Assurance Logs

The audit logs in the Wisdom Audit Folders contain the relevant audits for each office or function. These audits are listed on your audit plan and are mandatory.

Audit logs contain the minimum that the Audit and Risk Team would expect to see being audited. ORs are encouraged to add local audits/assurance checks.

ORs have a casework log, a financial & general log, and an assurance checks log. In addition, each function has a casework log.

Casework Audit Logs

Casework logs contain audits relevant to each office or function covering the key risk areas. Each audit has been mapped out to include process steps and controls.

Financial and General Audit Log

You must ensure you have systems in place to help mitigate the risks of theft, loss, or wrongdoing. The Audit and Risk Team (ART) expect to see:

- Robust office procedures that staff understand
- An audit trail for all cash/cheques/payments and valuables.
- Regular thorough financial audits are undertaken, (and staff should be aware they are undertaken).

The financial and general audit log contains the following topics:

- Receipts - Cash/Cheque
- Estate Payments
- Health & Safety
- Security
- Valuables

Assurance Log

The assurance log contains shorter checks or checks which just form part of a process. Assurance checks are not required to be recorded on the audit plan, or the summary of findings. However, they must be recorded on the Audit Regime spreadsheet 'Assurance Checks' tab when they have been completed and require a RAYG rating.

One-off assurance checks may be added to this log as required. ART will inform the OR if an unscheduled assurance check needs to be carried out.

Red, Yellow, Amber, Green - RAYG Assessment

Each audit undertaken must have a RAYG assessment. A RAYG scoring system is a simple, clear, and visual way of providing a status assessment that creates focus for improvement. The classifications we use are the same as the Government Internal Audit Agency (GIAA).

There are **fundamental weaknesses** in the framework of governance, risk management and control such that it is **inadequate and ineffective or is likely to fail**.	**UNSATISFACTORY**
There are **significant weaknesses** in the framework of governance, risk management and control such that it could be or could become **inadequate and ineffective**.	**LIMITED**
Some **improvements are required** to enhance the adequacy and effectiveness of the framework of governance, risk management and control.	**MODERATE**
The framework of governance, risk management and control is **adequate and effective**.	**SUBSTANTIAL**

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ART does not define exactly how to arrive at an overall rating as this would be too prescriptive, but guidance is provided in the Audit Manual (page 18) and on the audit regime spreadsheet.

Where individual samples are RAYG rated by the auditor, it is not necessarily the case that a majority of green ratings make an overall green audit. For example, if most of the sample is green with one red, the overall rating would depend on how serious the red issue was. Loss of a high value asset may push the overall rating into red, or issues on a few samples may warrant an overall amber rating, despite the majority of the sample being rated green.

The RAYG comes down to the judgement of the individual auditor. There will always be borderline cases, with ART retaining the final say.

Before challenging any ratings ART discuss and agree whether the RAYG rating is correct based on the local office findings. Some are borderline and generally ART only challenge where it is clear the RAYG rating is wrong or inconsistent with other audits. ART has oversight of all offices, so have a greater sense for what the benchmark RAYG rating is.

ART has seen evidence of allowances being given because

- The auditor addressed the issues they found
- The issues were down to trainees/lack of experience
- A lack of resource

Offices should not make allowances for the reasons stated above, the RAYG rating is based on the findings at the time of the audit.

A corporate report will provide the population of data for most casework audits from which a sample is selected and is then added to the relevant audit log which forms the basis of the audit.

Completion of the audit and assurance logs

There is guidance on audit sampling and links to technical guidance contained in each log and prompts in log step cell notes.

The table below is a list of audit and assurance topics, and shows which team carries them out. Ctrl and click on a topic to take you to the guidance.

Number	Topic	Office
1	Accounting Records	OR
2	Agents Bonding	OR

3	Annulments/Rescissions	OR
4	Asset shortfall	OR/DART/P&D Team
5	Asset shortfall	DART
6	Assets: Complex	OR
7	Assets: Diverse	OR
8	Cases with an IPA	IPA Team
9	Cases with no IPA	IPA Team
10	Cash/Cheque receipts	IPA Team
11	Charging orders	P&D Team
12	Closed cases with no settlement	ICF Team
13	Closed cases with settlement	ICF Team
14	Conduct Assessment PTA	OR
15	Corporate Card	OR
16	COVID Financial Support Scheme	OR
17	Credit Balances	OR/DART/IPA Team/P&D Team
18	CTM Travel Booking	OR
19	Distributions	DART/P&D Team
20	Estate Payments	OR/DART/P&D Team
21	Family Home	P&D Team
22	H&S	OR
23	Incoming Post	OR
24	In-House Collections	IPA Team
25	Insurance	OR/P&D Team
26	Insurance Policies	DART
27	Interest in Wills	DART
28	Interview Quality	OR
29	Investigation abandoned	OR
30	Investigations ongoing	OR
31	IPA defaulters/enforcement	IPA Team
32	Legacy Annulments	OR
33	Non-compliance	OR
34	NQP's	OR
35	NQP's - New	P&D Team
36	NQP's - Foreign Property	P&D Team
37	NQP's - Legacy	P&D Team
38	NQP's - Tenanted Property	P&D Team
39	Observed Interviews	OR
40	Other Diverse assets	DART
41	Oyster Cards (if applicable)	OR
42	Provisional Receipts	OR

43	Return of Deposits	P&T Team
44	Safe	OR
45	Sanctions	PIU
46	Security	OR
47	Solicitor instructed assets	DART
48	Stocks and Shares	DART
49	T&S Expense claims	OR
50	Training - Mandatory e-learning	OR
51	Valuables	OR
52	VOTE Payments	OR

Accounting Records

Type: Casework Audit

Audit Objective: Books and records have been collected, receipted, scheduled, recorded, and stored securely. Only current books and records are being stored, and they have an appropriate destruction date.

Corporate Report: CR 40.50.10 (and local spreadsheet if applicable)

Guidance:

- Accounting and other records
- Iron-mountain
- Employers Liability Folder in Wisdom

Audit checks:

- Does the office have a spreadsheet noting all the case records held in the office or at external storage? A local spreadsheet of books and records should be maintained, including their current location, which can be compared against the CR. There should be an audit trail of what is in the office, kept offsite or destroyed.
- Date the records were received. Has the datastore been completed (4.5 for bankruptcy cases and 3.1 for company cases).
- Received by? Is the name of the person who received the records recorded?
- Has a receipt been issued? In all cases the official receiver must issue a receipt (form BPRCT) on collecting physical records or digital media.
- If records are at or being sent to Iron Mountain

    - Have ISCIS notes regarding collection been updated according to protocol?
    - Was transmittal sheet info entered onto IM Connect portal within 24 hours of collection?
    - Was IM B&R spreadsheet updated according to protocol?
    - Was email sent to Info.Management to remove address from IM connect?
- Type of records? (Paper or Electronic)
- Who sent in the records? e.g., Accountant, Director etc
- Have any third-party records been received and if so, have they been returned? The official receiver should ensure the prompt return of solicitors' and accountants' files or working papers as soon as enquiries have been completed. Clients' papers do not form part of the records of the partnership or the bankrupt.
- If electronic equipment, is there a schedule of all equipment including makes, models and relevant passwords? See Operational Guidance chapter 16.20 Collecting or securing records held on computers or digital media for further information.
- If a cloud-based system has early contact been made with the provider to preserve the records? Once preserved have FCU been notified by email in line with Operational Guidance chapter 16.22 Securing records stored in cloud-based (on-line) system.
- Has a books and records note been entered into ISCIS including number of boxes/ envelopes/ items etc? This should contain details of what records have been received and what action has been taken. The note must be kept up to date.
- Have the records been correctly prepared, logged, and barcoded and a clear identification of how many, e.g., Box 1 of 15?
- Date records were scheduled.
- Have all listing sheets been scanned into wisdom and saved in the prelim docs? Has the BPRCT and SRHO been scanned to the fileplan?
- Have the records been re-boxed? (If so have both the old and new references been noted).
- Where are the records currently being stored and are they secure?
- If sent to Iron Mountain, has a destruction date been given, which complies with the current guidance?
- Are the records beyond their destruction date? See guidance
- Date sent to FCU (if applicable).
- Has a record been kept of what items were issued to FCU and were returned from FCU?

- Date records were returned from FCU
- If applicable, have public liability certificates and pension scheme documents been correctly uploaded to wisdom/preserved? Employers Liability documents need to be uploaded to Wisdom. (16.77 of the operational guidance). Check the schedule to establish if any of these have been received. This is to ensure that certificates are kept for the appropriate time which can be outside of the normal case file retention period. Pensions documentation is covered by 16.71 of the operational guidance.
- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

Agent’s Bonding

Type: Assurance Check

Assurance check objective: To ensure the assets and funds in the hands of agents are reasonably protected.

Assurance check sample: All Agents used by the office.

Guidance: 14.31 Goods in transit or in control of agents

Assurance check guidance:

- An annual check of local agents bonding must be undertaken.
- It is important that the OR is protected from agents they employ in the event that assets and/or funds of insolvents are lost or damaged.
- ART will auto-populate the Agent, reference number, expiry date and a date to be reviewed. This assurance check should only be undertaken where the current documentation is due to expire or where the OR has concerns over the level of protection given by the agent.
- Policy document uploaded to wisdom and diarised for renewal? Copies should be uploaded to the Agent folder in Wisdom for the relevant year.
- Who has provided the bond / indemnity? (please provide details). If protection has been given by virtue of their membership of a professional body, you will need to establish if the scheme protects against losses following financial failure of a member.
- Does the bond or alternative contain an excess clause? Please give amount. Some bonds and insurance policies held by agents contain an excess clause. You should establish whether one applies and that it is sufficient to provide

the level of cover required for the estate(s) concerned. To remove or reduce an excess on a bond/policy is likely to require payment of an additional premium.
- Is the OR satisfied that agents provide adequate security?
- Date request issued for renewal. A renewal request must be issued prior to the current bond/indemnity's expiration date.
- Any issues found or actions required must be noted in the ‘comments’ column, as should anything that requires following up.

Annulments/Rescissions

Type: Casework Audit

Audit Objective: Annulment/Rescission cases have been administered correctly to ensure correct costs are received and compliance with current guidance.

Corporate Report: CR 30.10.40.50. Sample to include debit, credit and nil balance cases, and different annulment types. Sample should include all current annulments, not just cases annulled in the quarter. For cases more than 12 months old, OR offices should undertake the Legacy assurance check.

Guidance:

- Annulments
- Rescissions

Audit checks:

- The entry the date the annulment/rescission order was made populates the annulment/rescission box on the case header and removes the case from the EIIR.
- Are ISCIS notes comprehensive? Notes should be comprehensive and should clearly outline the chronology of events and the current position.
- Order filed in the ECF? Recording the annulment/rescission order on the ISCIS hearings tab populates the annulment/rescission tick box on the case header and removes the case from the EIIR.
- (Bankruptcy) Annulment order deals with the petition. The order must state whether the petition is dismissed or adjourned. If the petition is re-listed a new ISCIS case should be created, and the deposit transferred to the new case.

- (Bankruptcy) Annulment order includes provision permitting vacation of the petition at Land Charges. The order must state whether the petition is to be vacated at Land Charges. It will not be vacated if the petition is re-listed.
- (Bankruptcy) Annulment order includes release of trustee. The order must state whether the OR as trustee is to be released from office.
- (Bankruptcy) Annulment order includes provision for costs and/or return of surplus funds. The order must state what action is to be taken concerning costs and whether surplus funds are to be returned.
- Costs calculation is correct and includes disbursements? If costs have not been calculated correctly and disbursements such as insurance or other costs incurred have not been included resulting in a debit balance, this must be reported to the SOR team, and amounts over £1,000 must be reported to Corporate Governance as an error. The full general and admin fee must be charged if an order is made on the grounds of PIF or a permanent stay of proceedings, in addition to all disbursements. In ONTHBM and rescission applications the official receiver can only recover the fees from receipts into the estate (deposit and asset recoveries). The OR should seek to retain the deposit as a minimum to offset against some of the administration fee in line with the decision in HMRC V Direct Affinity & ORs (2019). The OR can seek a costs order if the time & rate costs and disbursements exceed the deposit. The appropriate time and rate calculator should be used in these circumstances. If the deposit is not available (petition re-listed) the official receiver should seek an order that the applicant or petitioner is liable for costs.
- Date costs received. Costs should be received or secured before the hearing and included in the order.
- Check that the amount of costs requested is the same as the costs received
- If costs not paid has appropriate action been taken? If the costs have not been received, then appropriate action should be taken to recover them as soon as possible. If there is an IVA, it is the OR's responsibility to write to the supervisor requesting that the costs be paid from the realisations, and to monitor until the costs are received.
- Notice of annulment/rescission sent to all relevant parties (NABOs or equivalent). All parties notified of the BO/WUO should also be notified of the annulment/rescission. Where an insolvency practitioner is trustee, the official receiver should liaise with the trustee to ascertain:
    1. Whether the trustee has already notified creditors
    2. Whether the trustee would be prepared to undertake the official receiver's requirement to give notice.
- (Companies) - Rescission Order lodged at Companies House and status 'Active'. There is a risk that if the rescission order is not filed at Companies

House the status of the company will remain 'in Liquidation'. Check the company status at Companies House. The examiner should provide instruction for admin support to file copy of the rescission order at Companies House and monitor until the company status reverts to 'active'.

- Have the correct fees been charged? The full general & admin fee must be charged if an order is made on the grounds of PIF. In ONTHBM and rescission applications the OR can only recover the fees from receipts into the estate (deposit and asset recoveries). The OR should seek to retain the deposit as a minimum to offset against some of the administration fee in line with the decision in HMRC V Direct Affinity & ORs (2019). The OR can seek a costs order if the time & rate costs and disbursements exceed the deposit. The appropriate time and rate calculator should be used in these circumstances.
- EAS action requested regarding obtaining nil balance. EAS should be requested to carry out any transactions required such as rebating the admin fee and charging the time and rate fee or returning a surplus, using the EAS financial adjustments request form.
- All invoices paid and Insurance cancelled within 5 days of order? The insurance premium should have been accounted for in the costs calculation. Insurance should be cancelled within 5 days and backdated to the date of the annulment order.
- (Bankruptcy) Final Account completed, filed at Court and the ECF, and saved in wisdom (SoS). The final account cannot be done until all financial transactions have been completed. The balance on the estate should be nil. Produce an ACCSUM (final account) confirming what receipts and expenses are on the estate and ask the DOR to sign off the document. Send a copy to the court in a creditor petition case, or EBF if it is an adjudicator case, and deliver up a copy to the Secretary of State via wisdom.
- Companies - A final account is not required as there is no prescriptive rule for company cases.
- Comments regarding balance on estate. If all transactions have been completed correctly, the balance on the estate account should be nil. If costs have not been calculated correctly and disbursements such as insurance or other costs incurred have not been included resulting in a debit balance, this must be reported to the SOR team, and amounts over £1,000 must be reported to Corporate Governance as an error.
- Were assets protected whilst Annulment / Rescission was ongoing?
- Have assets recorded on the asset tab been signed off as nil?
- Were all assets and Books & Records returned to the former Insolvent Party? Check the valuables register and ISCIS asset tab.
- Form J restriction removed (if appropriate)

- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

Asset Shortfall (OR/P&D Team)

Type: Casework Audit

Audit Objective: Assets have been realised for the expected realisable value.

Corporate Report: CR 40.40.60 (All assets Tab). The sample should include assets with the biggest differences between ERV and the amount actually realised.

Guidance:

- Asset recording on ISCIS
- ISCIS and Wisdom guides

Audit checks:

- Is the asset tab completed correctly? Are all relevant asset fields completed correctly? See Asset recording guidance.
- Is the ERV accurate? Has it been updated with new information? This is the amount of money that you believe the estate will get from that asset allowing for a realistic selling price. Has the ERV been updated when new information has been received, e.g. outstanding mortgage or new valuation?
- Are the instructions/notes adequate and easy to follow? Can you follow the instructions and progress on the enquiries?
- Has the reason why the asset has not realised its potential value been recorded in asset notes? There should be an explanation on the asset note detailing what action has been taken and the reason why the realised value is lower than the ERV, for example if a commercial decision has been made.
- Are you satisfied with the explanation? You must be satisfied that appropriate action had been taken to attempt to realise the asset for full value. If the asset has not been progressed and realised due to long delays it is not a reasonable explanation.
- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

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Asset Shortfall (DART)

Type: Casework Audit

Audit Objective: Assets have been realised for the expected realisable value.

Corporate Report: CR 42.15.30 (DART assets Tab). The sample should include assets with the biggest differences between ERV and the amount actually realised.

Guidance:

- Asset recording on ISCIS
- ISCIS and Wisdom guides

Audit checks:

- Is the asset tab completed correctly? Are all relevant asset fields completed correctly? See Asset recording guidance.
- Is the ERV accurate? Has it been updated with new information? This is the amount of money that you believe the estate will get from that asset allowing for a realistic selling price. Has the ERV been updated when new information has been received, e.g. outstanding mortgage or new valuation?
- Are the instructions/notes adequate? Can you follow the instructions and progress on the enquiries?
- Has the reason why the asset has not realised its potential value been recorded in asset notes? There should be an explanation on the asset note detailing what action has been taken and the reason why the realised value is lower than the ERV, for example if a commercial decision has been made.
- Are you satisfied with the explanation? You must be satisfied that appropriate action had been taken to attempt to realise the asset for full value. If the asset has not been progressed and realised due to long delays it is not a reasonable explanation.
- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

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Assets: Complex

Type: Casework Audit

Audit Objective: Assets have been secured, recorded, and progressed in a timely manner.

Corporate Report: CR 40.40.08 (All assets tab). Sample should include more complex assets such as:

- Client Base
- Commissions Receivable
- Copyrights
- Intellectual Property
- Interest in Associated Companies
- Interest in joint venture
- Interest in subsidiary companies
- Interest in Trust/Settlements
- Interest in wills
- Patents
- Preferences
- Rights of Action (ROA)
- Shares in private companies
- Surplus goods/monies distress
- Transactions at Undervalue (TUV)

Guidance:

- Assets
- Asset recording
- DART asset transfer instructions

Audit checks:

- Is the asset tab completed correctly? Are all relevant asset fields completed correctly? See Asset recording guidance.
- Is the ERV accurate? Has it been updated with new information? This is the amount of money that you believe the estate will get from that asset allowing for a realistic selling price. Has the ERV been updated when new information has been received, e.g. outstanding mortgage or new valuation?

- Are the instructions/notes adequate? Can you follow the instructions and progress on the enquiries?
- Has the asset been administered in a timely manner and kept up to date?
- Should Agents have been instructed?
- If agents instructed, has their progress been monitored?
- Has correct action been taken to secure the asset? Are there any issues with securing the asset?
- Should this case be transferred to the Diverse Asset Realisation Team? Some assets are NOT suitable for transfer to DART. Refer to the DART asset transfer guidance which can be found within the OM guidance.
- Is the review date in the future and within an appropriate timeframe?
- Status at Companies House (Companies only). A Companies House search must be undertaken on all company cases to ensure the company status is 'in liquidation'. The OR cannot act as Liquidator of a company that has been dissolved.
- If status shows as 'Dissolved' has restoration been considered? If the company is dissolved and the balance is less than £3,000 it may not be worth the cost of restoration.
- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

Assets: Diverse

Type: Casework Audit

Audit Objective: Assets have been secured, recorded, and progressed in a timely manner.

Corporate Report: CR 40.40.08 (All assets tab). Sample should include assets not covered in the complex asset audit.

Guidance:

- Assets
- Asset recording
- DART asset transfer instructions

Audit checks:

- Is the asset tab completed correctly? Are all relevant asset fields completed correctly? See Asset recording guidance.
- Is the ERV accurate? Has it been updated with new information? This is the amount of money that you believe the estate will get from that asset allowing for a realistic selling price. Has the ERV been updated when new information has been received, e.g. outstanding mortgage or new valuation?
- Are the instructions/notes adequate and easy to follow? Can you follow the instructions and progress on the enquiries?
- Has the asset been administered in a timely manner and kept up to date?
- Should Agents have been instructed?
- If agents instructed, has their progress been monitored?
- Has correct action been taken to secure the asset? Are there any issues with securing the asset?
- Should this case be transferred to the Diverse Asset Realisation Team? Some assets are NOT suitable for transfer to DART. Refer to the DART asset transfer guidance which can be found within the OM guidance.
- Is the review date in the future and within an appropriate timeframe?
- Status at Companies House (Companies only). A Companies House search must be undertaken on all company cases to ensure the company status is 'in liquidation'. The OR cannot act as Liquidator of a company that has been dissolved.
- If status shows as 'Dissolved' has restoration been considered? If the company is dissolved and the balance is less than £3,000 it may not be worth the cost of restoration.
- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

Cases with an IPA (IPA Hub)

Type: Casework Audit

Audit Objective: Cases with an IPA have been correctly assessed, recorded, secured, and administered efficiently.

Corporate Report: CR 42.20.10 (All IPAs Tab) and filter for IPA Hub.

Guidance: Income Payment Agreements and Orders guidance

Audit checks:

- Is the asset tab completed correctly? Are all relevant asset fields completed correctly? See Asset recording guidance.
- Is there a copy of the calculator on the fileplan?
- Is there evidence to support income/expenses?
- Has the correct version of the SFS calculator been used?
- Has the calculator been completed correctly? CT/NT/Emergency Allowance?
- Exceptional expenses are explained and justified?
- Is the IPA assessment correct?
- Has an IPA been issued to the Bankrupt?
- Has a signed IPA been returned?
- Date agent instructed
- Is the review date in the future and within an appropriate timeframe?
- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

Cases with no IPA (IPA Hub)

Type: Casework Audit

Audit Objective: Cases with no IPA have been assessed and the correct decision has been made not to pursue an IPA.

Corporate Report: CR 40.40.40. This should include all debtor cases and all creditor cases who have complied.

Guidance: Income Payment Agreements and Orders guidance

Audit checks:

- Is there a clear general note to confirm whether an IPA assessment has been undertaken?
- If not, is the case awaiting assessment or further income/expense info?
- Has a future review date been set on the general note?
- If already assessed, is there a copy of the calculator on the fileplan?
- Is the decision not to seek an IPA correct?

- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

Cash/Cheques Receipts

Type: Financial Audit

Audit Objective: Remittances are dealt with securely and promptly and there is an audit trail to receipt on the ISCIS case funds tab/disposal.

Audit Sample: All cash receipts and 15 cheques per quarter (5 from each month) recorded in the remittance register.

Guidance:

- Asset Recording on ISCIS
- 11.47 Dealing with cash on Inspections
- If there is no sample to audit the audit log should be noted accordingly and not given a RAYG rating.
- Offices with dual/multiple sites should record one overall RAYG rating, however a specific office site can be distinguished in the sample.
- All cash/cheque remittances received should be recorded in a remittance log.
- Cash/cheques must be kept secure at all times until banked or sent to EAS.
- Cash/cheques must not be audited by anyone who has handled them.
- All cash received must be audited.
- If cash is collected out of the office a provisional receipt should have been issued. If a provisional receipt has been issued, a general receipt should be issued within 7 days. The reference number of the provisional receipt should be recorded. If not applicable enter n/a. If a provisional receipt should have been issued but has not been, the log should be noted to that effect and the reason for the omission ascertained.
- If cash is banked directly from inspection a copy of the paying in slip must be provided to the cashier and uploaded to the case file plan
- There should be no delays in banking cash. If the amount is over £100 it should be banked on the day of receipt. If it is a smaller amount it should be banked within a week of receipt.
- A general receipt must be issued within 7 days of a provisional receipt. Note the log if it was not issued in this timescale.
- A minimum of 5 cheque remittances should be audited for each month (a minimum of 15 on a quarterly basis).

- Corporate report 30.10.30 will list cash that has been recorded on the funds tab but must not be used for audit.
- Only cheques received and sent to EAS by the office should be audited.
- Ideally cash should be audited monthly, but at least on a quarterly basis.
- Any issues found must be followed up by the auditor to conclusion.

Audit Checks:

Cash

- Check the provisional receipt book(s) and enter the number of any provisional receipt issued (usually as a result of cash being collected out of the office). If not applicable, enter n/a. If a provisional receipt should have been issued but has not been, the audit should be noted to that effect and the reason for the omission ascertained.
- Enter the number of the general receipt issued and again if this has not been issued the log should be noted to that effect and the reason for the omission ascertained.
- A general receipt must be issued within 7 days of a provisional receipt. Note if it was not issued in this timescale.
- A copy of any receipt issued must be uploaded to the electronic case file.
- Enter the date the cash was paid into the bank from the counterfoil of the paying in book. The counterfoil should note the case reference.
- If cash is banked directly from inspection a copy of the paying-in slip must be provided to the cashier and uploaded to the wisdom file plan
- Enter the date the remittance appears on the ISCIS funds tab. There should be no delay between receipt of the remittance, banking, and it is appearing on the funds tab.
- Check the amount on the funds tab is the same as the amount that was originally received. Any discrepancies must be explained.
- Check the remittance is entered on the ISCIS asset tab and is fully completed including asset notes.

Cheques

- Record the date the cheque was sent to EAS. Was there any time delay between receipt and sending to EAS?
- If cheques are not to be sent to EAS for banking, e.g., court proceedings, the reason must be recorded in the remittance log. Cheques must be stored securely and there must be an audit trail maintained.
- Enter the date the remittance appears on the ISCIS funds tab.

- Check the remittance is entered on the ISCIS asset tab and is fully completed including asset notes.

Charging Orders (Property Hub)

Type: Casework Audit

Audit Objective: The charging order has been correctly recorded and reviewed every 3 years for registered and 5 years for unregistered property to verify no dealings, and to consider offering the sale of the interest to the former bankrupt or seek an IP to enforce the charging order.

Corporate Report: CR 42.30.11 (All Property Tab)

Guidance: Charging Orders

Audit checks:

- Has the charging order been completed correctly? Are all relevant asset fields completed correctly? See Asset recording guidance.
- Is the charging order recorded on the hearings tab?
- Is a copy of the charging order on the file plan? Has a copy been requested from court?
- Is there confirmation that the charging order has been sent to/registered at Land Registry?
- Has the charge been reviewed in the last 3 years (for registered) or 5 years (for unregistered)? Has anything changed since the charging order was granted? Is there a potential order for sale or has the property been sold which will initiate the 12-year limitation period?
- Has the property been sold since the charging order according to online data eg Zoopla? If the property has been sold since the charging order, refer to a DOR.
- Is the review date in the future and within an appropriate timeframe?
- Actions / decisions fully recorded via the asset note? Can you follow the instructions and progress on the enquiries?
- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

The Insolvency Service

Closed Cases with no Settlement (ICF)

Type: Casework Audit

Audit Objective: Review of monthly reports from Panel Sols and CW. Summarise Quarterly.

Audit Sample: Minimum of 1 case per command and covering a mixture of solicitors from the ICF spreadsheet

Guidance: Appointment of agents

Audit checks:

- Is the asset recorded in line with asset user guidance? Are all relevant asset fields completed correctly? See Asset recording guidance.
- Has the asset been identified and investigated as per Operational Guidance?
- Have agents been instructed in-line with Best Practice Guidance?
- Are ISCIS notes sufficient and updated regularly with notes from the monthly solicitor’s report?
- Have there been any delays on the case?
- Is ARIA and evidence filed correctly and clearly labelled
- Is signed copy of EL/CFA (engagement letter/conditional fee agreement) filed correctly and clearly labelled
- Has the asset owner commented on reasonableness of fees and entered summary of invoice onto ISCIS?
- Has the asset owner completed the asset correctly on ISCIS?
- If abandoned by solicitors, has asset owner confirmed agreement?
- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

The Insolvency Service

Closed Cases with Settlement (ICF)

Type: Casework Audit

Audit Objective: Review of how well local offices are dealing with progression of assets with solicitors instructed.

Audit Sample: Minimum of 1 case per command and covering a mixture of solicitors from the ICF spreadsheet

Guidance: Appointment of agents

Audit checks:

- Is the asset recorded in line with asset user guidance? Are all relevant asset fields completed correctly? See Asset recording guidance.
- Has the asset been identified and investigated as per Operational Guidance?
- Have agents been instructed in line with Best Practice Guidance?
- Are ISCIS notes sufficient and updated regularly with notes from the monthly solicitors' report?
- Have there been any delays on the case since solicitors instructed?
- Is ARIA and evidence filed correctly and clearly labelled?
- Is signed copy of EL/CFA (engagement letter/conditional fee agreement) filed correctly and clearly labelled?
- Has the asset owner commented on reasonableness of fees and entered summary of invoice onto ISCIS?
- Has ISCIS realised amount been entered with correct figure? (Funds tab/Asset tab)
- Has the case been transferred to DART?
- Any issues found or actions required must be noted in the 'comments' column, as should any findings that require following up.

Conduct Assessment PTA

Type: Casework Audit

Audit Objective: Appropriate case decisions have been made with clear explanations and cases have been signed off in accordance with timeliness guidance.

Corporate Report:

- CR 70.20.16
    - (BKT case list tab)
    - (LQD case list tab)

Guidance:

- [The pre-targeting assessment]
- [Centrally Managed Parties]

BKT audit checks:

- All assets have been recorded, protected, and progressed, correctly, and within appropriate timeframe? All assets from the PIQ/Application form and interview notes should be checked, should they have been transposed onto the asset tab, ensuring all listed assets have been considered and protected/realised accordingly.
- Actions have been taken within appropriate timeframe to achieve compliance?
- Have books & records been recovered if appropriate? Were there any records for the case, if so, were appropriate steps taken to recover and review these?
- Have books and records been reviewed if appropriate to identify assets or misconduct?
- Has the most appropriate interview method been carried out? Was the interview conducted either in person or via teams/telephone? Was this chosen interview route appropriate?
- Overall, has the case been progressed within a reasonable timeframe?
- If not, what was the reason for the delay?
- If non-CMPs used, is this correct? On the ISCIS creditor tab has the correct CMP been used for each creditor where appropriate? Auditor to check the creditor tab, sort creditor list into CMP and none-CMP noting how many are not CMPs and flag in comments section.

- Where appropriate, has cause of insolvency been sought and tested? There should be clear and detailed notes outlining the reasons for insolvency and the examiners thought process. They should be easy to understand, and key points should be summarised for quick reference. The ART considers it best practice to use specific headings such as Assets, Liabilities, Background, and Recommendations.
- Has potential misconduct been considered?
- Do you agree with the conduct decision?
- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

LQD Audit checks:

- All assets have been recorded, protected, and progressed, correctly, and within appropriate timeframe? All assets from the PIQ/Application form and interview notes should be checked, should they have been transposed onto the asset tab, ensuring all listed assets have been considered and protected/realised accordingly.
- Actions taken within appropriate timeframe to achieve compliance?
- Have books & records been recovered? Were there any records for the case, if so, were appropriate steps taken to recover and review these?
- Have books and records been reviewed appropriately to identify assets or misconduct?
- Has evidence of potential misfeasance / breach of duty been considered?
- If non-CMPs used, is this correct? On the ISCIS creditor tab has the correct CMP been used for each creditor where appropriate? Auditor to check the creditor tab, sort creditor list into CMP and none-CMP noting how many are not CMPs and flag in comments section.
- Overall, has the case been progressed within a reasonable timeframe?
- If not, what was the reason for the delay?
- Cause of insolvency obtained and tested?
- Has potential misconduct been considered?
- Do you agree with the conduct decision?
- DCRS completed within 3-month target and acknowledgment e-mail saved to the fileplan?
- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

Corporate Card

Type: Assurance Check

Assurance objective: To ensure transactions are valid and in accordance with guidance.

Assurance sample: All transactions. Data is provided by ART each month.

Guidance: GPC

Assurance guidance:

- The ART will obtain GPC transaction data from Finance and upload it directly into the assurance log.
- 100% of transactions should be checked at least on a quarterly basis.
- The transaction receipt must be checked and uploaded to wisdom.
- Is the purchase in accordance with the guidance? Is it a valid transaction? Has the purchase been made against the correct cost centre? If not, you can request Finance to reallocate the transaction to the correct cost centre.
- Has the item purchased been received or has the service paid for been provided?
- If any credit refunds are due it should be noted in the comments column and followed up.
- Note if any of the transactions are disputed.
- Any issues found or actions required must be noted in the 'comments' column, as should any findings that require following up.

COVID Financial Support Scheme

Type: Casework Audit

Audit Objective: To seek assurance that cases are being appropriately identified; that enforcement action is being recommended where appropriate; and that recovery action is being appropriately considered and is being effectively pursued.

No Corporate Report. BBL Loan Book Data can be found on here: - \\inss.insolvency.gov.uk\dfs\shared\groupdata\Shared03\BIR03 - BBL by IP folder > ORS compulsory liquidations)

Guidance: [Covid support schemes]

Audit checks:

- Is the covid loan support identified by the Case Strat Team?
- Is the loan listed in the creditors?
- Is there an explanation covering the use of the funds?
- Was the applicant eligible for the loan value provided?
- Has appropriate consideration been given to FI?
- Has appropriate consideration been given to asset recovery?
- If appropriate, has an asset been created?
- Is asset recovery action being taken forward as appropriate? An ISCIS note >general (other). The note must begin with the text BBLASSET (no quotes or spaces so that it is picked up in the corporate report)
- Has the British Business Bank (BBB) application form and bank statements been requested and reviewed?
- Has the case been recorded on the BBL spreadsheet correctly? Details of all Covid financial support that has been received in all (Official Receiver company liquidation and bankruptcy) cases must be recorded in the local office BBL spreadsheet.
- Any issues found or actions required must be noted in the 'comments' column, as should any findings that require following up.

Credit Balances (OR/DART/P&D Team/IPA Hub)

Type: Casework Audit

Audit Objective: Creditors receive payment as soon as possible and cases are re-assigned to the Distributions hub in a timely manner.

Corporate Report: CR 30.10.20 (All Credit Balance Cases tab) and focus on the largest and most long-standing credit balances.

Guidance: Protocol for transferring credit balances to the distributions hub

Audit checks:

- Are there sufficient funds for a dividend? A dividend calculator will ascertain this.

- Status at Companies House (Companies only). A Companies House search must be undertaken on all company cases to ensure the status is 'in liquidation'.
- If status shows as 'Dissolved' has restoration been considered? If the company is dissolved and the balance is less than £3,000 it may not be worth the cost of restoration.
- Should this case be transferred to the Distribution Team? If the asset realisation is PPI, the case is to be transferred to the PPI team and not LTADT distribution.
- Do realisations on the estate reconcile with the asset tab? All asset realisations on the funds tab must be recorded on the asset tab. When an asset is realised the asset tab must be completed with the realisation date, realised amount and the “asset realised” box must be ticked.
- Has there been any delay in dealing with the credit balance?
- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

CTM Travel Booking

Type: Assurance check

Assurance objective: To ensure transactions are valid, hotel bookings are within budget and in accordance with guidance.

Assurance sample: All transactions. Data is provided by ART each month.

Guidance: Booking Travel & Hotels

Assurance guidance:

- The ART will obtain the travel data from Finance and upload it directly into the assurance log.
- Check that the transaction is allocated to the correct cost centre. Have staff moved to another cost centre? If the cost centre code needs to be changed to another then you should contact the finance business team and inform the individual.
- Check that transactions are valid. Was the expense incurred on official business and was it necessary?
- Ascertain if a refund is due. If so, monitor that the refund is received. Refunds usually appear in the subsequent month.
- Check that hotel bookings are within limits. If not, ascertain who provided authorisation.

- Current hotel limits are as follows:
    - £140 for London and International
    - £100 for elsewhere in the UK
- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

Distributions (P&D Team and DART)

Type: Casework Audit

Audit Objective: The distribution process has been administered efficiently, cases have not stalled, and distributions have been made to the correct centrally managed parties (CMP) or person/organisation within ministerial targets.

Corporate Report: CR 70.55.30 v2

Guidance:

- Distributions
- Payments

Audit checks:

- Cleansing/Stage 1 checklist completed correctly?
- Date of DVDL (Notice of Intended Dividend). DVDL is required to include a last date for proving not less than 21 days from the date of the notice.
- Last date for proving. Legislation (TM49.20) requires Payments be made to creditors within 2 months of the last date for proving.
- Datastore Completed? (Section 9 Bankruptcies) / (Section 6 Companies). Corporate Reports use information from 9.2 to report on whether we are meeting our targets for making payments to creditors. This is a Ministerial target.
- Have all submitted POD's been recorded on the creditors tab?
- Have the payments been made to CMPs? If not please explain. Most payees should be a Centrally Managed Party (CMP), (although not all CMPs can be paid by BACS). Nearly all creditors which appear on more than a couple of cases should have at least one CMP entry. The CMP spreadsheet must be used to identify which Centrally Managed Party to use when making payments. (There is a link to the CMP spreadsheet on the guidance tab). Do not rely on searching ISCIS or on the payment information on ISCIS alone. Check the CMP

spreadsheet and then copy and paste the Party ID number into a search in ISCIS. If the payment was not made to a CMP, please explain why.

- Have the payments been made to the correct parties? Check that the payment was made to the correct party. If the payee was a non-CMP, you must check the bank details are correct. You should do a ‘Party Search’ and enter just the account number and sort code from the proof of debt/claim/bill/etc received from the creditor. Check the name and address details in the search results match the payee details.
- Is the dividend calculation correct?
- Date of distribution.
- Distribution within 2 months of last date for proving? 49.20 Operational Guidance - Last date for proving and time period within which a dividend must be declared.
- Statutory interest (if applicable) is calculated correctly? If statutory interest not applicable please record n/a.
- Has the T&R been charged correctly? You may wish to refer to CR 67.10.81 which shows where no T&R has been charged.
- Has the general notes tab been updated appropriately? Can you follow the instructions and progress on the enquiries?
- If any cheques have been returned has appropriate action been taken?
- Were there any delays in the process?
- Is there any remaining balance after the distribution to be dealt with?
- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

Estate Payments (OR/DART/P&D Team)

Type: Financial Audit

Audit Objective: Correct payments have been made to the correct centrally managed parties (CMP) or person/organisation within timeliness guidelines.

The Insolvency Service

Guidance:

- Payments
- Making payments from estate accounts

Audit Guidance:

- Case related payments are made from the estate, and appear on the ISCIS case funds tab
- The auditor should have had no part in the payments process
- The audit sample should be payments that have been processed locally
- Estate payments are paid by EAS. Estate payments must be authorised by two people, the requester and the approver.
- Sample a minimum of 15 payments made by the OR per quarter (5 from each month), selected from the payment request spreadsheets.
- The sample of payments for audit should be chosen from the payments request spreadsheets from the previous month which would highlight payments not on the funds tab. There is a Corporate Report (30.10.60) that lists all payments made by an office within a period so payments not uploaded to wisdom can be identified.
- Copies of payment requests and invoices should not be saved in H or S drives but should be stored in Wisdom.
- Payment requests can come from both external and internal sources.
- The agency target is 85% of invoices should be paid within 5 days and 100% of invoices should be paid within 30 days (Exceptions for disputed payments). In order to meet the Agency target 85%, payments should be sent to EAS within 2 working days and 100% should be sent to EAS within 27 working days.
- The payments log will automatically calculate the number of working days it has taken to process the payment once the payment request date and payment approved dates have been completed.
- The spreadsheet formula takes weekends and bank holidays into account.

Example:
Invoice/Payment request is received on Monday afternoon and is approved on Wednesday afternoon. The payment has been processed within 48 hours, but the spreadsheet will show Wednesday as day 3. The spreadsheet will indicate this as a 'green' rating.

- If the invoice is processed after the 3rd day the cell shows day 4 and turns amber.

- If the invoice is processed after the 27th day the cell shows day 28 and turns red.

The table below shows how the spreadsheet automatically calculates a Red, Amber or Green rating based on the target criteria, however if other issues are found a Yellow rating may be appropriate instead of a Green. If there was a delay find out the reason why and record it in the 'comments' column.

RAG	Criteria
Red	If any undisputed payments are made over 27 days the RAG rating is Red.
Amber	If less than 85% of undisputed payments are made within 2 days but 100% within 27 days the RAG rating is Amber.
Green	If 85% of payments are made within 2 days, and 100% within 27 days the RAG rating is Green. (Based on 15 payments per quarter, 13 payments (12.75 rounded up) should be made within 2 days, and the other two within 27 days, and the rating would be green).

- Check that the paperwork supports the payment, e.g., it is a bona fide genuine payment, the item/service we are paying for has been received, and the amount is correct?
- Confirm the payment has not previously been made. Care must be taken not to make the same payment twice e.g., duplicate payments.
- Check the payment request is correctly authorised. It must be clear who has requested the payment and who has authorised it. They must be two different people, arithmetic is correct, case details are correct, etc.
- Is there a copy of the payment letter/voucher saved in the fileplan in wisdom?
- Most payees should be a Centrally Managed Party (CMP), (although not all CMPs can be paid by BACS). Nearly all creditors which appear on more than a couple of cases should have at least one CMP entry. The CMP spreadsheet must be used to identify if the correct Centrally Managed Party has been used to make the payment.
- When a payment is made to a non-CMP, you must check the bank details are correct. You should do a 'Party Search' and enter just the account number and sort code from the proof of debt/claim/bill/etc received from the creditor. Check the name and address details in the search results match the payee details.
- Check ISCIS notes tab for an explanation of why the payment has been made.

- Check ISCIS funds tab to ensure the payment has been debited from the correct estate. If there is no corresponding entry on the funds tab it should be followed up with EAS and followed up by the auditor until it appears on the funds tab. The comments should clearly identify what action has been taken to follow up.

Family Homes (Property Hub)

Type: Casework Audit

Audit Objective: The family home has been correctly identified, recorded, secured, and administered efficiently and does not automatically revest.

Corporate Report: CR 42.30.11 (Family Home Tab)

Guidance:

- The Family Home
- Online learning and training packages
- How to record a family home on ISCIS

Audit checks:

- Correctly identified as a family home? See operational guidance 28.51.
- Has the family home been completed correctly? Are all relevant asset fields completed correctly? See Asset recording guidance.
- Is the ERV accurate? Has it been updated with new information? This is the amount of money that you believe the estate will get from that asset allowing for a realistic selling price. Has the ERV been updated when new information has been received, e.g. outstanding mortgage or new valuation?
- If shared ownership, was ASTCAA issued within 42 days? The trustee must claim the bankrupt's interest within 42 days of becoming trustee or becoming aware of the property, otherwise the asset will be lost.
- Has a copy of the LR and Equifax search been uploaded to the fileplan?
- Date BHNOT issued?
- Has the MP3 been sent/returned?
- Is there a copy of the LR showing the restriction saved to the file plan?
- Valuation and estimate of charges obtained? Describe how the property has been valued, e.g., professional valuation; or a combination of at least two internet valuations such as Acadata, Nethouseprices, Zoopla, Rightmove, etc

- Type of insurance obtained.
    - Jointly owned - Solvent partner - Equity - Building insurance
    - Jointly owned - All parties bankrupt - Equity - Building and Public Liability
    - Jointly owned - Solvent partner - No Equity - No insurance
    - Jointly owned - All parties bankrupt - No equity - Public liability
    - Solely owned - Equity - Building and Public Liability
    - Solely owned - No Equity - Public liability
- Are you satisfied that the property has been insured appropriately?
- If no equity, has the BHREV been issued?
- Has the RX3/4 been issued to Land Registry?
- Has the BHLET / BHCERT been issued?
- If equity, has an MP7 been issued?
- TLT instructed?
- If equity, application for P&S, charging order, or IP appointment?
- Actions / decisions fully recorded via the asset note? Can you follow the instructions and progress on the enquiries?
- Is the review date in the future and within an appropriate timeframe
- Any issues found or actions required must be noted in the 'comments' column, as should any findings that require following up.

Health & Safety

Type: General Audit

Audit Objective: Summarise any issues found in the quarterly H&S return and give it a RAYG rating.

Guidance: Health and Safety

Audit Guidance:

If the office is split over more than one site, please record separate entries, clearly indicating each office site. There should only be one overall RAYG rating recorded on the Audit Plan and Audit Summary spreadsheet.

Health and Safety audits should be a summary of the main issues identified in the quarterly return, and any other local H&S issues. Issues identified are reported to senior management on a quarterly basis.

Incoming Post

Type: Assurance Check

Assurance objective: To ensure post is being opened in accordance with guidance to reduce the risk of loss and fraud.

Assurance sample: Observation of one day's physical post (including first, second and recorded delivery).

Guidance: Post Handling

Assurance check guidance:

- Choose a day when post has been received to observe the incoming post process.
- Check that the post is held in a secure area prior to being opened.
- The post must only be opened in a secure place where there is no possibility of it being removed by unauthorised staff. The table upon which the post is opened should be clear to prevent any remittances or letters being mislaid.
- Two people must be present when the post is opened, irrespective of grade.
- Check that the post was sifted correctly before being opened or sent for scanning.
- All post should be date stamped showing the date received. Important papers such as court orders, etc should be stamped on the back of the document.
- Check the procedure for recording and distributing recorded and registered post. Does the procedure safeguard the contents?
- All remittances should be recorded as received, including cheques that will not be sent to banking (e.g., proceedings cheques), and must be recorded, stored securely, and an audit trail maintained.
- One of the members of staff who has opened the post should enter the remittance details in the remittance log and should initial the entries. To maintain segregation of duties this must not be the same person who banks cash or who sends the remittances to EAS.

- The member of staff who entered the details in the remittance log is responsible for keeping them safe until they are handed over to a manager. If there is no manager available, the remittances should be stored securely.
- Is the system of opening post sufficient to safeguard any remittances received?

In-House Collections (IPA Hub)

Type: Casework Audit

Audit Objective: IPA payments collected in-house are correct, issued to EAS in a timely manner, defaults are referred, and funds reach the estate.

Corporate Report: CR 42.20.10 (In-house collections Tab)

Guidance: IPAs and IPOs Operating Model

Audit checks:

- Is the asset tab completed correctly? Are all relevant asset fields completed correctly? See Asset recording guidance.
- Is the review date in the future and within an appropriate timeframe?
- Has the Bankrupt been contacted, and payment date arranged?
- Are payments up to date?
- Has there been any delay in dealing with the default?
- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

Insurance (OR/P&D Team)

Type: Casework Audit

Audit Objective: Insurance is correct, adequate, and valid.

Corporate Report: Select an appropriate sample from all ongoing cases for Willis, AON and Marsh as provided by the ORS Business & Strategy team

Guidance: Insurance

Audit checks:

- Type of insurance cover?
- If property, is there any equity?
- Joint/Sole ownership?
- Was it appropriate for Insurance to be taken out? (See operational guidance 14.10)
- Has the correct insurance been obtained? Where insurance is effected it is important that the sum insured is adequate to cover the potential losses.
    - Jointly owned - Solvent partner - Equity - Building insurance
    - Jointly owned - All parties bankrupt - Equity - Building and Public Liability
    - Jointly owned - Solvent partner - No Equity - No insurance
    - Jointly owned - All parties bankrupt - No equity - Public liability
    - Solely owned - Equity - Building and Public Liability
    - Solely owned - No Equity - Public liability
- Has the ISCIS "Insurance to be effected" general note been added? This is required so it is clear to anyone working on the case that there is insurance that will require action to cancel at some point.
- Is insurance still required? Insurance must be cancelled within 5 days where:
    1. a charging order is obtained by the official receiver
    2. a property is repossessed, or an LPA receiver is appointed
    3. a disclaimer is issued
    4. the order is rescinded or annulled
    5. an insolvency practitioner is appointed
    6. the asset is realised
- If insurance no longer required, has it been cancelled or when should it have been cancelled?
- Has there been any delay in cancelling insurance?
- If unnecessary insurance costs were incurred, has it been reported to the SOR Team and/or Corporate Governance as an error? If insurance was not cancelled at the correct time resulting in an unnecessary cost, it should be reported to the SOR Team, and for amounts of over £1,000 it should be reported to Corporate Governance as an error. (see Fraud & Error guidance)
- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

Insurance Policies – DART

Type: Casework Audit

Audit Objective: Assets have been secured, recorded and progressed in a timely manner.

Corporate Report: CR 42.15.30 (DART assets Tab)

Guidance:

- Asset recording on ISCIS
- Assets
- After-acquired property
- DART asset transfer instructions
- Online learning and training packages

Audit checks:

- Was the asset allocated/actioned by DART within 48 hours of notification?
- Is the asset tab completed correctly? Are all relevant asset fields completed correctly? See asset recording guidance.
- Is the ERV accurate? Has it been updated with new information? This is the amount of money that you believe the estate will get from that asset allowing for a realistic selling price. Has the ERV been updated when new information has been received, e.g. outstanding mortgage or new valuation?
- Are the instructions/notes adequate? Can you follow the instructions and progress on the enquiries?
- Has all appropriate action been taken by the local office to secure/ safeguard the asset?
- Have there been any delays in dealing with the asset?
- Is the review date in the future and within an appropriate timeframe?
- Status at Companies House (Companies only). A Companies House search must be undertaken on all company cases to ensure the company status is 'in liquidation'. The OR cannot act as Liquidator of a company that has been dissolved.
- If status shows as 'Dissolved' has restoration been considered? If the company is dissolved and the balance is less than £3,000 it may not be worth the cost of restoration.
- Any issues found or actions required must be noted in the 'comments' column, as should any findings that require following up.

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Interest in Wills – DART

Type: Casework Audit

Audit Objective: Assets have been secured, recorded and progressed in a timely manner.

Corporate Report: CR 42.15.30 (DART assets Tab)

Guidance:

- Asset recording on ISCIS
- Assets
- After-acquired property
- DART asset transfer instructions
- Online learning and training packages

Audit checks:

- Was the asset allocated/actioned by DART within 48 hours of notification?
- Is the asset tab completed correctly? Are all relevant asset fields completed correctly? See asset recording guidance.
- Is the ERV accurate? Has it been updated with new information? This is the amount of money that you believe the estate will get from that asset allowing for a realistic selling price. Has the ERV been updated when new information has been received, e.g. outstanding mortgage or new valuation?
- Are the instructions/notes adequate? Can you follow the instructions and progress on the enquiries?
- Did the interest in the will devolve before or after the BO?
- If an after acquired asset, has ASTCAA been issued within 42 days of being notified? The trustee must claim the bankrupt's interest within 42 days of becoming trustee or becoming aware of the asset, otherwise the interest will be lost.
- If not an after acquired asset, what date was the OR's interest noted in writing?
- Has all appropriate action been taken by the local office to secure/ safeguard the asset?
- Have there been any delays in dealing with the asset?
- Is the review date in the future and within an appropriate timeframe?
- Status at Companies House (Companies only). A Companies House search must be undertaken on all company cases to ensure the company status is 'in

liquidation'. The OR cannot act as Liquidator of a company that has been dissolved.

- If status shows as 'Dissolved' has restoration been considered? If the company is dissolved and the balance is less than £3,000 it may not be worth the cost of restoration.
- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

Interview Quality

Type: Casework Audit

Audit Objective: Sufficient information is obtained to progress the administration of a case, determine the reason for the insolvency and make a decision as to whether further investigation is necessary

Corporate Report: Select an appropriate sample from CR 45.20.16

- (BKT case list tab)
- (LQD case list tab)

Guidance: Interviewing and Investigation

BKT audit checks:

- Type of interview? You should establish whether the interview was conducted by F2F, MS Teams or telephone. The reason should also be recorded on the conduct assessment tab. Check the Interview letter as ISCIS may say F2F but actually Teams.
- Examiner experience (trainee or qualified)
- Was a completed PIQ received before the interview took place? A copy of the PIQ should be saved to the ISCIS case fileplan.
- Were bank statements received before the interview or before the case was signed off?
- Were the accounts received before the interview or before the case was signed off?
- Has all appropriate action been taken to secure/ safeguard all known assets?
- Are you satisfied that sufficient information had been gained before the interview? If not, why not?
- Has a signed PREADD/PRENAR been returned? Confirm whether a PREADD/PRENAR has been used.

- Has the reason for the insolvency been determined? How was it tested if information missing?
- FI/NFI
- Was sufficient information obtained to make an FI decision
- Follow up interview?
- Was this method of interview the most suitable?
- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

LQD Audit checks:

- Type of interview? You should establish whether the interview was conducted by F2F, MS Teams or telephone. The reason should also be recorded on the conduct assessment tab. Check the Interview letter as ISCIS may say F2F but actually Teams.
- Examiner experience (trainee or qualified)
- If trading, was an inspection carried out or considered?
- Was a completed PIQ received before the interview took place? A copy of the PIQ should be saved to the ISCIS case fileplan.
- Were bank statements received before the interview or before the case was signed off?
- Were the accounts received before the interview or before the case was signed off?
- Has all appropriate action been taken to secure/ safeguard all known assets?
- Are you satisfied that sufficient information had been gained before the interview? If not, why not?
- Has a signed PREADD/PRENAR been returned? Confirm whether a PREADD/PRENAR has been used.
- Has the reason for the insolvency been determined? How was it tested if information missing?
- Antecedent transactions/ recoveries considered and recorded? E.g. misfeasance, DLA, illegal dividends
- Sifted in / Sifted out. A case which is a ‘sift out’ will not be investigated further unless new information comes to light. A case which is a ‘sift in’ will then be passed to Compliance and Targeting for more detailed enquiries to decide whether or not it should be targeted for investigation.
- Was sufficient information obtained to make an FI decision
- Follow up interview?
- Was this method of interview the most suitable?

- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

Investigation Abandoned

Type: Casework Audit

Audit Objective: The investigation process has been managed to ensure cases are progressed in a timely manner, and that the reason for abandonment is valid.

Corporate Report: CR 50.10.20 (Abandoned tab)

Guidance: Enforcement and Investigation Guide

Audit checks:

- Target date set for first review? When a case is initially allocated to an investigator, the investigation team leader will set up an initial review date on ISCIS, by selecting Maintain Next Review Date on the Reviews and Submissions tab.
- Date first review completed. Was the first review completed at the agreed date?
- Regular ongoing reviews undertaken by examiner? Were the reviews frequent and focussed on the investigation. Is there detail of the evidence gathered?
- DOR completed reviews within 7 days?
- PI considered at every review? Has the Public Interest been considered as information has been obtained to ensure focus remains appropriate?
- Focussed investigation Yes/No? Is it clear where the investigation is heading or does this appear more of a fishing exercise?
- Sufficient detail of work done/ evidence gathered? Is it clear what enquiries have been made prior to the decision to abandon?
- Has all relevant correspondence been saved to the INV ECF?
- What is the reason for case being abandoned?
- Is it justified?
- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

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Investigation Ongoing

Type: Casework Audit

Audit Objective: The investigation process has been managed to ensure adequate progression of investigation, PI and quality of evidence and expedited process.

Corporate Report: 50.10.30 (ongoing tab). Sample should also include cases marked for criminal investigation (column G - Criminal?)

Guidance: Enforcement and Investigation Guide

Audit checks:

- If there is no submission target date, why not? (via the review and submissions tab).
- Target date set for first review. When a case is initially allocated to an investigator, the investigation team leader will set up an initial review date on ISCIS, by selecting Maintain Next Review Date on the Reviews and Submissions tab.
- Date first review completed. Was the first review completed at the agreed date?
- Regular ongoing reviews undertaken by examiner? Were the reviews frequent and focussed on the investigation. Is there detail of the evidence gathered?
- DOR completed reviews within 7 days
- PI considered at every review? Has the PI been considered as information has been obtained to ensure focus remains appropriate?
- Focussed investigation Yes/No? Is it clear where the investigation is heading or does this appear more of a fishing exercise?
- Has all relevant correspondence been saved to the INV ECF?
- Sufficient detail of work done/ evidence gathered? Are notes sufficient to follow to progress and decisions on cases?
- Clear recommendations going forward? Is the recommendation clear and focused?
- Has a further RTC or report to court been submitted where appropriate? ORs should issue a further report to creditors when an undertaking or order is obtained following submission of a conduct report. Where convictions follow criminal referrals for offences which are related to the insolvency proceedings, have contributed to the insolvency, or have a bearing on a company officer's or the bankrupt's conduct, the OR should submit a report to the court under

s132(1) IA 86 (compulsory liquidations) or s289(1) (bankruptcies) and issue a further report to creditors.
- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

IPA Defaulters / Enforcement (IPA Hub)

Type: Casework Audit

Audit Objective: Defaulters have been identified, administered efficiently and that the appropriate action has been taken i.e., reassessments and enforcement.

Corporate Report: CR 42.20.10 (Enforcement Tab) and cross reference against agent and non-payers report.

Guidance: IPAs and IPOs Operating Model

Audit checks:

- Are the instructions/notes adequate? Can you follow the instructions and progress on the enquiries?
- Date OR notified that Bankrupt has defaulted on payments
- Date IPA was re-assessed
- Were there any delays in dealing with the default?
- Has appropriate action been taken, e.g., variation or AOE
- Is the review date in the future and within an appropriate timeframe?
- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

Legacy Annulments/Rescissions

Type: Assurance Check

Assurance objective: The objective of the assurance check is to establish why some cases have a debit/credit balance and take the action required to bring the balance to nil.

Assurance sample: CR 30.10.50 and change date parameters to capture older annulments/rescissions over 12 months old. Select a sample of credit and debit balances, focussing on the larger balances.

Guidance:

- Annulments
- Rescissions

Assurance guidance:

- Have OR's costs been received?
- Do fees need to be charged/adjusted/rebated?
- Do disbursements need to be paid?
- Does the deposit/surplus need to be returned?
- Why is there still a debit/credit balance? Record the reason there is still a credit/debit balance. E.g. was the costs calculation incorrect? Have the costs not been chased?
- Has an error resulted in a debit balance? If so, has it been reported? If costs have not been calculated correctly and disbursements such as insurance or other costs incurred have not been included, resulting in a debit balance, it must be reported to the SOR Team and amounts over £1,000 must be reported to Corporate Governance as an error.
- What action has been taken to bring the balance to nil?
- Any issues found or actions required must be noted in the 'comments' column, as should any findings that require following up.

Non-Compliance

Type: Casework Audit

Audit Objective: Non-compliance cases are monitored, and prompt appropriate action taken. All decisions are correct, within target and any misconduct issues have been correctly addressed.

Corporate Report: CR 40.30.10 - Select an appropriate sample from both the BKT and LQD tabs.

Guidance: Non-cooperation

Audit checks:

- What action has been taken regarding the information in the Equifax search? (Bankruptcy Only)

- Number of appointments missed before entered onto compliance tab? The Casework Process Standard states that a bankrupt should be considered non-compliant where they have missed two appointments, and the details of the case should move to the compliance tab. Where illness is given as a reason to postpone or cancel interviews on more than one occasion, a medical certificate should be requested. If the postponement/cancellation can be justified in the short term, other methods of obtaining the information should be considered.
- Is a tracing inspection appropriate and if so, has it been done?
- Has appropriate Court action been considered, or have there been any delays?
- Are the compliance notes being maintained? Are the notes comprehensive? Have there been any delays?
- Is the review date in the future and within an appropriate timeframe?
- Any issues found or actions required must be noted in the 'comments' column, as should any findings that require following up.

Non-Qualifying Property - NQP (OR)

Type: Casework Audit

Audit Objective: Non-qualifying property has been correctly identified, recorded, secured, rent collected (if appropriate), and appropriate and efficient action has been taken, and there has been no delay in re-assigning the asset to the property team.

Corporate Report: CR 40.40.08 (All assets tab). Filter by asset category. Tenanted and foreign properties need to be identified from the asset description.

Guidance:

- Property
- Recording Property
- Complex non-family home
- Insurance

Audit checks:

- Has the property been completed correctly?
- Has a copy of the LR and Equifax search been uploaded to the fileplan?
- Has the MP3 been sent and/or returned?

- Valuation and estimate of charges obtained? Describe how the property has been valued, e.g., professional valuation; or a combination of at least two internet valuations such as Acadata, Nethouseprices, Zoopla, Rightmove, etc
- Has the property been insured appropriately?
- Actions / decisions fully recorded via the asset note. Can you follow the instructions and progress on the enquiries?
- Is the ERV accurate? Has it been updated with new information? This is the amount of money that you believe the estate will get from that asset allowing for a realistic selling price. Has the ERV been updated when new information has been received, e.g. outstanding mortgage or new valuation?
- <u>If the NQP is a Tenanted Property</u>
    - Tenanted properties questionnaire completed? See operational guidance 29.36 to 29.37
    - Tenancy agreement obtained? Operational Guidance 29.35.
    - Confirmed no LPA Receiver in place?
    - Gas/Electric certificates obtained? (solely owned) See operational guidance 29.83 and 29.84
    - Keys collected and kept securely (solely owned) See operational guidance 29.67
    - Rent collection (method and status) See Operational Guidance 29.94 to 29.104
- <u>Foreign properties only</u>
    - Has the OR's interest been insured? If not, please explain
    - Has the OR's interest been registered? If not, please explain
    - Has a disclaimer been considered?
- If shared ownership, was ASTCAA issued within 42 days? If the OR doesn’t claim the bankrupt’s interest within 42 days of becoming trustee or becoming aware of the property, the interest will be lost.
- Is there a copy of the LR showing the bankruptcy restriction saved to the file plan?
- Is there a reason why the asset has not yet been referred to the Property Team? The sample should not include assets that have already been transferred to the property team, or assets that have been handed over to an IP.
- Is the review date in the future and within an appropriate timeframe?
- Status at Companies House (Companies only). A Companies House search must be undertaken on all company cases to ensure the company status is 'in liquidation'. The OR cannot act as Liquidator of a company that has been dissolved.

- If status shows as 'Dissolved' has restoration been considered? If the company is dissolved and the balance is less than £3,000 it may not be worth the cost of restoration.
- Any issues found or actions required must be noted in the 'comments' column, as should any findings that require following up.

NQPs – New (Property Hub only)

Type: Casework Audit

Audit Objective: Non-qualifying property has been correctly recorded and secured, and equity established, and timely and appropriate action has been taken.

Corporate Report: CR 42.30.11 (Non-Qualifying Property Tab).

Guidance:

- Property
- Recording Property
- Complex non-family home
- Insurance

Audit checks:

- Has the property been completed correctly?
- Has the MP3 been sent and/or returned?
- Valuation and estimate of charges obtained? Describe how the property has been valued, e.g., professional valuation; or a combination of at least two internet valuations such as Acadata, Nethouseprices, Zoopla, Rightmove, etc
- Has the property been insured appropriately?
- Actions / decisions fully recorded via the asset note. Can you follow the instructions and progress on enquiries?
- Is the ERV accurate? Has it been updated with new information? This is the amount of money that you believe the estate will get from that asset allowing for a realistic selling price. Has the ERV been updated when new information has been received, e.g. outstanding mortgage or new valuation?
- If shared ownership, was ASTCAA issued within 42 days? If the OR doesn't claim the bankrupt's interest within 42 days of becoming trustee or becoming aware of the property, the interest will be lost.
- Is there a copy of the LR showing the bankruptcy restriction saved to the file plan?

- Is the review date in the future and within an appropriate timeframe?
- Status at Companies House (Companies only). A Companies House search must be undertaken on all company cases to ensure the company status is 'in liquidation'. The OR cannot act as Liquidator of a company that has been dissolved.
- If status shows as 'Dissolved' has restoration been considered? If the company is dissolved and the balance is less than £3,000 it may not be worth the cost of restoration.
- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

NQPs – Foreign (Property Hub only)

Type: Casework Audit

Audit Objective: Foreign property has been correctly identified, recorded, secured, rent collected (if appropriate), and appropriate and efficient action has been taken, and there has been no delay in re-assigning the asset to the property team.

Corporate Report: CR 42.30.11 (Foreign Property Tab).

Guidance:

- Property
- Recording Property
- Complex non-family home
- Insurance

Audit checks:

- Has the property been completed correctly?
- Valuation obtained?
- Has the OR's interest been registered? If not, please explain
- Has the property been insured appropriately?
- Has the OR's interest and amount of equity been established?
- If no equity, has a disclaimer been considered?
- If equity, appropriate action taken?
- Has asset been progressed in a timely manner?
- Is the review date in the future and within an appropriate timeframe?

- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

NQPs – Legacy (Property Hub only)

Type: Casework Audit

Audit Objective: Non-qualifying property has been reviewed, relevant enquiries made and whether relevant action taken.

Corporate Report: CR 42.30.11 (Non-Qualifying Property tab). Sample should include tenanted and foreign properties.

Guidance:

- Property
- Recording Property
- Complex non-family home
- Insurance

Audit checks:

- Has the property been completed correctly? If not, please explain what is wrong.
- Has all appropriate action been taken to secure/safeguard the property? If not, please describe what action is outstanding. Can you follow the instructions and/or progress on the enquiries?
- Describe how the property has been valued and confirm charges obtained? Describe how the property has been valued, e.g. professional valuation; or a combination of at least two internet valuations such as Acadata, Nethouseprices, Zoopla, Rightmove, etc
- Has the property been insured appropriately? If not please explain.
  - Jointly owned - Solvent partner - Equity - Building insurance
  - Jointly owned - All parties bankrupt - Equity - Building and Public Liability
  - Jointly owned - Solvent partner - No Equity - No insurance
  - Jointly owned - All parties bankrupt - No equity - Public liability
  - Solely owned - Equity - Building and Public Liability
  - Solely owned - No Equity - Public liability

- Is the ERV accurate? Has it been updated with new information? This is the amount of money that you believe the estate will get from that asset allowing for a realistic selling price. Has the ERV been updated when new information has been received, e.g. outstanding mortgage or new valuation?
- Tenanted Properties only
    - If tenanted, questionnaires issued and agreements obtained?
    - If tenanted, gas/electrical certificates and/or keys obtained?
- Foreign properties only
    - Has the OR's interest been insured? If not, please explain
    - Has the OR's interest been registered? If not, please explain
    - Has a disclaimer been considered?
- If shared ownership, was ASTCAA issued within 42 days? If the OR doesn't claim the bankrupt's interest within 42 days of becoming trustee or becoming aware of the property, the interest will be lost.
- Has the property and/or tenancy been progressed in a timely manner?
- Is there enough equity to appoint an IP or apply for P&S?
- Is the review date in the future and within an appropriate timeframe?
- Has the property been sold since the charging order according to online data eg Zoopla?
- Status at Companies House (Companies only). A Companies House search must be undertaken on all company cases to ensure the company status is 'in liquidation'. The OR cannot act as Liquidator of a company that has been dissolved.
- If status shows as 'Dissolved' has restoration been considered? If the company is dissolved and the balance is less than £3,000 it may not be worth the cost of restoration.
- Any issues found or actions required must be noted in the comments column, as should any findings that require following up.

NQPs – Tenanted (Property Hub only)

Type: Casework Audit

Audit Objective: Tenanted non-qualifying property has been correctly identified, recorded, secured, rent collected (if appropriate), and appropriate and efficient action has been taken, and there has been no delay in re-assigning the asset to the property team.

Corporate Report: CR 42.30.11 (Non-Qualifying Property tab).

Guidance:

- Property
- Recording Property
- Complex non-family home
- Insurance

Audit checks:

- Has the property been completed correctly? Are all relevant asset fields completed correctly? See Asset recording guidance.
- Has the MP3 been sent and/or returned?
- Valuation and estimate of charges obtained?
- How has the property been valued? e.g. professional valuation; or a combination of at least two internet valuations such as Acadata, Nethouseprices, Zoopla, Rightmove, etc
- Type of insurance obtained.
    - Jointly owned - Solvent partner - Equity - Building insurance
    - Jointly owned - All parties bankrupt - Equity - Building and Public Liability
    - Jointly owned - Solvent partner - No Equity - No insurance
    - Jointly owned - All parties bankrupt - No equity - Public liability
    - Solely owned - Equity - Building and Public Liability
    - Solely owned - No Equity - Public liability
- Are you satisfied that the property has been insured appropriately?
- Actions / decisions fully recorded via the asset note. Can you follow the instructions and progress on enquiries?
- Is the ERV accurate? Has it been updated with new information? This is the amount of money that you believe the estate will get from that asset allowing for a realistic selling price. Has the ERV been updated when new information has been received, e.g. outstanding mortgage or new valuation?
- Tenanted properties questionnaire completed? See operational guidance 29.36 to 29.37
- Tenancy agreement obtained? See operational guidance 29.35
- Confirmed no LPA Receiver in place?
- Gas / Electric certificates obtained? (solely owned). See Operational Guidance 29.83 and 29.84.
- Keys collected and kept securely. (solely owned). See Operational Guidance 29.67.
- Rent collection (method and status). See Operational Guidance 29.94 to 29.104.

- If shared ownership, was ASTCAA issued within 42 days? If the OR doesn't claim the bankrupt's interest within 42 days of becoming trustee or becoming aware of the property, the interest will be lost.
- Is there a copy of the LR showing the bankruptcy restriction saved to the file plan?
- Has all appropriate action been taken by the local office to secure/safeguard the property?
- Has the property and/or tenancy been progressed in timely manner?
- If equity, application for P&S, or IP appointment?
- If no equity, has a disclaimer been considered?
- Is the review date in the future and within an appropriate timeframe?
- Status at Companies House (Companies only). A Companies House search must be undertaken on all company cases to ensure the company status is 'in liquidation'. The OR cannot act as Liquidator of a company that has been dissolved.
- If status shows as 'Dissolved' has restoration been considered? If the company is dissolved and the balance is less than £3,000 it may not be worth the cost of restoration.
- Any issues found or actions required must be noted in the 'comments' column, as should any findings that require following up.

Observed Interviews

Type: Assurance Check

Assurance objective: Interviews are prepared, planned appropriately to ensure sufficient information is gained to:

- Progress the administration of the case,
- Determine the reason for the insolvency
- Make a decision as to whether further investigation is necessary.

Assurance sample: One observed interview per year for every examiner.

Guidance:

- ISIP Assessor – Observed Interviews
- Standard Observed Interviews

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Assurance guidance:

- Type of Interview. Was it a Face to face, Teams, or Telephone interview? Is it clear from ISCIS?
- Was the interviewer fully prepared? Did they have an interview plan prepared? Was there a suitable interview room booked? Did they have the relevant paperwork with them?
- Did the interviewer explain the purpose of the interview? Were the interview expectations explained to the interviewee - such as checking ID, the perjury act, time, the use of breaks, note taking, housekeeping etc?
- Was the interviewer's body language, conduct and behaviour appropriate? Did the interviewer build up a good rapport?
- Did the interviewer take all reasonable steps to test / check / verify information provided?
- Did the interviewer control the pace and direction of the interview satisfactorily?
- Were accurate statements/ notes taken at the interview covering all areas discussed?
- Was the interview successfully drawn to a close? Did the interviewer deal with any "What happens next?" questions?
- Any issues found or actions required must be noted in the 'comments' column, as should any findings that require following up.

Other Diverse Assets (DART)

Type: Casework Audit

Audit Objective: Assets have been secured, recorded and progressed in a timely manner.

Corporate Report: CR 42.15.30 (DART assets Tab). This should include a selection of asset types that have not been covered in a separate audit.

Guidance:

- Asset recording on ISCIS
- Assets
- After-acquired property
- DART asset transfer instructions
- Online learning and training packages

Audit checks:

- Was the asset allocated/actioned by DART within 48 hours of notification?
- Is the asset tab completed correctly? Are all relevant asset fields completed correctly? See asset recording guidance.
- Is the ERV accurate? Has it been updated with new information? This is the amount of money that you believe the estate will get from that asset allowing for a realistic selling price. Has the ERV been updated when new information has been received, e.g. outstanding mortgage or new valuation?
- Are the instructions/notes adequate? Can you follow the instructions and progress on the enquiries?
- Has all appropriate action been taken by the local office to secure/ safeguard the asset?
- Have there been any delays in dealing with the asset?
- Is the review date in the future and within an appropriate timeframe?
- Status at Companies House (Companies only). A Companies House search must be undertaken on all company cases to ensure the company status is 'in liquidation'. The OR cannot act as Liquidator of a company that has been dissolved.
- If status shows as 'Dissolved' has restoration been considered? If the company is dissolved and the balance is less than £3,000 it may not be worth the cost of restoration.
- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

Oyster Cards (London only)

Type: Assurance Check

Assurance objective: To ensure Oyster cards are used for official travel and in accordance with guidance.

Assurance sample: All cards and transactions.

Guidance: UK Travel and Subsistence - Oyster Cards

Assurance check guidance:

- Assurance check only applicable where office Oyster cards are used for official travel in London.
- Travel data and transactions are available via Oyster online - TFL

- All Oyster cards should be stored securely when not in use, and their whereabouts recorded at all times.
- It is best practice to record the cards in a log and for them to be signed in and out.
- Check the transactions are valid and were incurred for official office business.
- Any issues found or actions required must be noted in the 'comments' column, as should any findings that require following up.

Provisional Receipt Books

Type: Assurance check

Assurance objective: To ensure all provisional receipt books have been accounted for, all counterfoils are present, are stored securely and that each receipt has been followed up with a general receipt and the amount is recorded on the funds tab.

Assurance sample: All provisional receipt books held by the office.

Guidance:

- 11.47 Inspections - Provisional Receipts
- Monetary assets - FAQs - Collecting Cash

Assurance check guidance:

- Provisional Receipt Books (PRBs) must be stored securely, recorded and logged in and out.
- All PRB's must be checked at least on a quarterly basis and included in financial audits.
- It is important that the OR is aware of the number of PRBs they have, and their location, and each one must be identifiable.
- If the office is over two sites note the location of the PRBs.
- It is good practice to keep a log of PRBs issued and returned.
- Check that all counterfoils are present
- Check if any provisional receipts have been issued since the last audit and that the corresponding remittance is on the case funds tab.
- If there has been no change since the previous month, just note the log as such.
- Any issues found or actions required must be noted in the 'comments' column, as should any findings that require following up.

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Return of Deposits (P&T Team only)

Type: Assurance Check

Assurance objective: The correct payments have been made to the correct petitioning creditor (or their solicitors) within timeliness guidelines.

Assurance sample: Minimum of 15 dismissed or withdrawn cases (apart from HMRC)

Guidance:

- Payments
- Making payments from estate accounts

Assurance guidance: (See also audit comments for Estate Payments)

- Petitioning Creditor Solicitor Name
- Date the dismissal/ withdrawal order was received. Received either from court or from the solicitor.
- Deposit Amount
- Are there available funds to return the deposit?
- Who approved the payment? The auditor should not have been involved in the payment process.
- Date payment approved and sent to EAS. Enter the date the payment was authorised on the payment request spreadsheet.
- Number of working days between invoice/payment request received and sent to EAS. This column will be automatically populated from the dates entered in column J and column L.
- Was the payment request sent to EAS within 2 working days? Explain any delays. If there was a delay find out the reason why and record it in the comments column. In order to meet agency target:
    - 85% of payments should be sent to EAS within 2 days
    - 100% should be sent to EAS within 5 days
    - Exceptions for disputed payments
- Cheque or BACS payment?
- Is the payment correct and does the documentation support the payment? Is the payment legitimate and for the correct amount as requested?
- Has the payment been made to a CMP? If not please explain. Most payees should be a Centrally Managed Party (CMP), (although not all CMPs can be paid by BACS). Nearly all creditors which appear on more than a couple of cases should have at least one CMP entry. The CMP spreadsheet must be

used to identify which Centrally Managed Party to use when making payments. (There is a link to the CMP spreadsheet on the guidance tab). Do not rely on searching ISCIS or on the payment information on ISCIS alone. Check the CMP spreadsheet and then copy and paste the Party ID number into a search in ISCIS. If the payment was not made to a CMP please explain why.
- Has the payment been made to the correct party? Check that the payment was made to the correct party. If the payee was a non-CMP, you must check the bank details are correct. You should do a 'Party Search' and enter just the account number and sort code from the proof of debt/claim/bill/etc received from the creditor. Check the name and address details in the search results match the payee details.
- Confirm the payment has not previously been made. Care must be taken not to make the same payment twice eg duplicate payments.
- Has a copy of the dismissed / withdrawn order and supporting correspondence been saved in the ECF?
- Is the payment request spreadsheet and supporting documents saved to the office payments folder in wisdom? The payments request spreadsheet should be saved as a record.
- Date the correct payment was recorded on the ISCIS funds tab. If there is no corresponding entry on the funds tab it should be followed up with EAS and followed up by the auditor until it appears on the funds tab. The comments should clearly identify what action has been taken to follow up.
- Any issues found or actions required must be noted in the 'comments' column, as should any findings that require following up.

Safe/Valuables cupboard

Type: Assurance Check

Assurance objective: To ensure that the contents of the safe/cupboard are secure and that items are regularly reviewed and not forgotten about.

Assurance sample: All secure storage

Guidance: No specific guidance available

Assurance guidance:

- Safe, i.e., secure storage, sometimes known as the securities or valuables cupboard

- It is good practice to keep an inventory of items stored in the safe/valuables/securities cupboard.
- Is the safe or cupboard secure?
- Who has access? Consider if any role changers know the combination or have access to the key. The combination should be changed regularly, and every time there is a change in staff or staff roles. For example, people who no longer have a cashiering or management role or who have left the office.
- When was the last time the combination was changed?
- Are there any items that have been stored too long? E.g., charity boxes.
- Financial documents should not be retained for more than 6 years to comply with the retention policy.
- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

Sanctions (PIU only)

Type: Casework Audit

Assurance objective: Have sanctions been agreed for debit balances incurred or increased by over £2,500?

Assurance sample: CR 40.55.10. The sample must include companies with a debit balance over and above the admin and general fees and/or local spreadsheet.

Guidance: Technical Guidance chapter 1.9 - 1.17

Assurance guidance:

- Copy of sanction on file plan?
- Sanction request recorded on ISCIS notes?
- Date of sanction application
- Was the application made before the act for which permission or legislative sanction was required?
- Amount Requested £
- Debit Balance at point of request
    - On funds tab
    - On sanction application
- Total amount £ of Sanctions (to date)
- Date authorised by SOR Team. Should be recorded in ISCIS notes and copy uploaded to the file plan.

- Amount £ agreed
- Was the application made in the correct estate?
- Was the correct amount applied for?
- Has the debit balance incurred been fully covered by sanctions?
- Any issues found or actions required must be noted in the 'comments' column, as should any findings that require following up.

Security

Type: General Audit

Audit Objective: People, property and data are secure.

Everyone has a responsibility to ensure that sensitive information and assets, whatever their form, are appropriately protected from the moment they are created until their verified destruction. Physical security measures form part of a holistic approach to protection that must also include personnel security and, where the assets are IT or held electronically, cyber security.

A security incident could have a major impact on The Service / Agency. There should be robust security practices within the office.

Guidance:

- Information Security
- Physical Security
- Inspections
- Cyber Security

Audit Guidance:

- If the office is split over more than one site, please record separate entries, clearly indicating each office site. There should only be one overall RAYG rating recorded on the Audit Plan and Summary of Findings spreadsheet.
- Any local issues should be added to the audit checks.
- Access to the office should be within working hours. Are doors into building or reception area being left unlocked, and windows left open. Who is responsible for securing the office at the end of the day?
- Is a record maintained of people who have access to the office? Door combination/office alarm should be regularly changed, especially when staff

leave, including non-IS staff e.g., cleaners, contractors. Security passes/swipe cards should be handed in when staff leave. Is a record maintained of people who have access to the office?

- There should be a record of the last trading inspection to ensure guidance is being followed.
- Has a lone worker risk assessment been carried out where necessary?
- There should be a spot check to ensure visitors have been logged in and out and issued with name badges.
- A spot check should be carried out to ensure compliance with the clear desk policy.
- Are papers left on the printer at the end of the day?
- Are any books and records stored in interview rooms/public areas stored securely?
- Is confidential waste secured at all times?
- Is the office compliant with retention and destruction policies?
- Any issues found or actions required must be noted in the 'comments' column, as should any findings that require following up.

Solicitor Instructed Assets – DART

Type: Casework Audit

Audit Objective: Assets have been secured, recorded and progressed in a timely manner.

Corporate Report: CR 42.15.30 (DART assets Tab). This should include a selection of asset types where solicitors are routinely instructed such as Book Debts, DLA, Preferences, ROA, and TUV.

Guidance:

- Asset recording on ISCIS
- Assets
- After-acquired property
- DART asset transfer instructions
- Online learning and training packages

Audit checks:

- Was the asset allocated/actioned by DART within 48 hours of notification?

- Is the asset tab completed correctly? Are all relevant asset fields completed correctly? See asset recording guidance.
- Is the ERV accurate? Has it been updated with new information? This is the amount of money that you believe the estate will get from that asset allowing for a realistic selling price. Has the ERV been updated when new information has been received, e.g. outstanding mortgage or new valuation?
- Are the instructions/notes adequate? Can you follow the instructions and progress on the enquiries?
- Have there been any delays in dealing with the asset?
- Has correct action been taken to secure the asset?
- Is the review date in the future and within an appropriate timeframe?
- Status at Companies House (Companies only). A Companies House search must be undertaken on all company cases to ensure the company status is 'in liquidation'. The OR cannot act as Liquidator of a company that has been dissolved.
- If status shows as 'Dissolved' has restoration been considered? If the company is dissolved and the balance is less than £3,000 it may not be worth the cost of restoration.
- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

Stocks and Shares – DART

Type: Casework Audit

Audit Objective: Assets have been secured, recorded and progressed in a timely manner.

Corporate Report: CR 42.15.30 (DART assets Tab). This is to capture shares in a private limited company.

Guidance:

- Asset recording on ISCIS
- Assets
- After-acquired property
- DART asset transfer instructions
- Online learning and training packages

Audit checks:

- Was the asset allocated/actioned by DART within 48 hours of notification?
- Is the asset tab completed correctly? Are all relevant asset fields completed correctly? See asset recording guidance.
- Is the ERV accurate? Has it been updated with new information? This is the amount of money that you believe the estate will get from that asset allowing for a realistic selling price. Has the ERV been updated when new information has been received, e.g. outstanding mortgage or new valuation?
- Are the instructions/notes adequate? Can you follow the instructions and progress on the enquiries?
- Has all appropriate action been taken by the local office to secure/ safeguard the asset?
- Have there been any delays in dealing with the asset?
- Is the review date in the future and within an appropriate timeframe?
- Status at Companies House (Companies only). A Companies House search must be undertaken on all company cases to ensure the company status is 'in liquidation'. The OR cannot act as Liquidator of a company that has been dissolved.
- If status shows as 'Dissolved' has restoration been considered? If the company is dissolved and the balance is less than £3,000 it may not be worth the cost of restoration.
- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

T&S Expense Claims

Type: Assurance check

Assurance objective: To ensure transactions are valid and in accordance with guidance.

Assurance sample: Data is provided by ART each month. Sense check all transactions and select a sample. Sample to include all taxi journeys.

Guidance: [Travel: Subsistence and Guidance]

Assurance guidance:

- T&S data is stored in Business World and ART will upload the data directly into the assurance log on a monthly basis.

- Ideally, expense claims should be audited each month, but must be done on a quarterly basis.
- All taxi journeys must be checked to ensure there was a real business need and is permissible e.g. for reasonable adjustments.
- Check that expense claims are valid and adhere to service guidelines.
- Have full details of expenses incurred been provided? Full details include the route taken, places visited, times of arrival and departure, and the method of travel.
- Do the receipts support the claim? Copy receipts should be obtained from the claimant and should be readily available as we are required to save them electronically in order to upload them to Business World. The claimant can also obtain them from Business World in order to provide them to the auditor.
- Was the claim made within one month of incurring the costs? Receipts will show the date the claim was incurred. If a claim has been approved outside of this, please provide an explanation.
- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

Training – Mandatory e-learning

Type: Assurance Check

Assurance objective: To ensure all staff have carried out mandatory training within the designated timescales.

Assurance sample: BeOnline Awaken and Government Campus.

Guidance: Mandatory Training

Assurance guidance:

- All staff must complete the mandatory training courses identified as part of their ongoing learning and development.
- The majority should be completed annually.
- Have all staff completed the training within the relevant timescales? If not, what actions are required?

- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.

Valuables Register

Type: Financial Audit

Audit Objective: Valuables stored in the register are secure and dealt with promptly.

Audit Guidance:

Each office site should maintain a Valuables register.

Record the number of items that have not been signed out of the register, and which should have a corresponding valuable item stored in the safe.

The following should be considered and recorded in the ‘findings/comments’ column.

- Are the valuables stored securely?
- Are there any items missing?
- Is the register properly completed?
- Have removed items been initialled and countersigned?
- Has the reason for removal been recorded?
- Are the valuable items numbered correctly?
- Should the item be in the register?
- Is the item in the register recorded in ISCIS with instructions?
- Has the examiner given the case officer an instruction to deal with the item?
- Is the item being actively dealt with?
- Has the case been handed over to an IP?
- Has the case been annulled?
- Has the asset been realised?
- Has it been established that the item has no value?
- Should the item have been returned to the owner?

Describe what action needs to be taken or has been taken to progress dealing with the valuable item, or to dispose of the item. An audit trail must be maintained, and actions recorded on ISCIS.

VOTE Payments

Type: Assurance Check

Assurance objective: To ensure items/goods/services have been received and the correct amount has been paid.

Assurance sample: All transactions. Data is provided by ART each month.

Guidance: Invoices

Assurance guidance:

- The ART will place the VOTE payment data obtained from Business World directly into the financial assurance log. The data is based on cost centre code.
- Check that it is a valid genuine payment? Have the services or supplies been received? Is the amount charged correct?
- Was there any delay in processing the payment? Date of authorisation to date of payment. The date the invoice was authorised for payment cannot currently be provided in the report. Look for any long delays between the invoice date and the payment date.
- The goods receipting GRN should be authorised in Business World within 5 days of receipt of delivery/delivery note/invoice. There is an externally set cross-government target to pay non-disputed supplier invoices within set targets: 85% within 5 days and 100% within 30 days.
- Any issues found or actions required must be noted in the ‘comments’ column, as should any findings that require following up.