

# Main Accounting - Post Oracle Go Live – Final Report – September 2024

Audit & Governance Committee - 17/10/2024

# Summary findings

## Overall opinion - Limited Assurance

This audit has reviewed the following: • Carry forward of balances; • Suspense accounts and control accounts – VAT; • Creation and authorisation of journals; • User access to Oracle; • Bank reconciliations; and • Processing of direct debits.

The review identified significant gaps, weaknesses, or instances of noncompliance. The system of governance, risk management, and control requires improvement to effectively manage risks to the achievement of objectives in the area audited.

# Key Findings

There are processes which require improvement such as:

A process to review changes to accounting periods;

A central register for direct debits;

Consistent journal control check reports;

Ensuring all reconciliations for Civica have been completed and retained

# Finding 1 - Bank reconciliations

Action: We confirm that we will develop a method for bank reconciliation that provides the necessary control and ensure that the reconciliations are carried out on a timely basis and that they are independently reviewed.

Update: a resolution has been found and is in place for all bank reconciliations going forward

# Finding 2 -Monitoring of Civica cash receipting system.

Action:We confirm that we will set up a daily monitoring check to verify that the correct number and value of transactions has been transferred from Civica to Oracle.

This will be in place by 31<sup>st</sup> October 2024

# Finding 3 - Suspense Accounts

Action: We confirm that we will implement a process to work with service areas to identify where the items held in suspense should be posted.

We will complete this action by 31<sup>st</sup> December 2024

## Finding 4 - There is no Finance Manual in place

Action: We confirm that we are in the process of developing a Finance Manual that will reflect the changed processes as a result of the implementation of Oracle. Once completed the Finance Manual will be published and made available to all staff within the Council.

It is anticipated that the first draft will be available for review by 31<sup>st</sup> December 2024

# Finding 5 -Inadequate User Access Roles for Users on Oracle

Action: A review will be undertaken on initial access granted to users to ensure individuals only have access to areas required to enable them to perform their roles. Ongoing periodic reviews will be undertaken to ensure users with an excess of roles still require them. The review will be completed by 31<sup>st</sup> December 2024.

Changes to the Accounting Periods will be regularly monitored through the Accounting Period Audit report to ensure they are appropriate; this will include a review of the closing accounting period process. We have begun work on a schedule and need to finalise this. The schedule will be finalised and implemented by 31<sup>st</sup> December 2024.



# Finding 6 - No appropriate processes and records for the Direct Debits the Council has agreed to accept

Action: We confirm that we will set up a register of the payments the Council has agreed to pay by Direct Debit. We will periodically check with service areas to verify that the payment should be allowed to continue.

The register will be completed and operational by 31<sup>st</sup> November 2024

# Finding 7- Inconsistent format for the Journal Control Checks report

Action: We confirm that we will develop a consistent format for the Journal Control Checks and that we will ensure that any anomalies are clearly documented to include any remedial action that was taken.

We will have this in place by 31<sup>st</sup> December 2024

## Finding 8- Reconciliation between the Civica system and the Civica Suspense Account for the year end on 31st March 2024.

Action: We will investigate the balancing item on the most recent reconciliation supplied and ensure the cause is identified and resolved. We will continue this reconciliation process on a periodic basis to ensure there are no further unexplained discrepancies.

Update: This has now been completed.