

FINANCIAL SYSTEMS INTERIM REPORT [AUDIT 2006/07]

LEAD OFFICER: Head of Finance and Business Development

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Summary: To present the external auditor's Financial Systems Interim Report, following the completion of the Annual Audit by Audit Commission.

Recommendation: That Members note the findings of the external auditor's Financial Systems Interim Report and consider the action plan drafted in response.
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1 INTRODUCTION

1.1 The external auditor reviewed the Authority's financial systems as part of the audit of the 2006/07 Statement of Accounts. The findings are detailed in the Interim Report at Appendix A, prior to the issue of the Annual Audit and Inspection Letter in December 2007.

2 KEY MESSAGES

2.1 The main concerns related to:-

- the lack of regular reconciliations in some areas of the Council's systems; and
- risks in relation to the IT control environment due to a lack of a disaster recovery plan and a lack of segregation of duties within the IT department.

2.2 An action plan has been drafted to address these concerns and forms part of the report at Appendix A.

3 CONCLUSION

3.1 The implementation of the action plan will address the issues raised in the external auditor's Interim Report on the Council's financial systems.

List of Appendices: [Appendix A Financial Systems Interim Report](#)

List of Background Documents: Statement of Accounts 2006/07, Internal Audit reports on financial systems 2006/07

Officers Consulted: Corporate Team, Accountancy Services Manager