REPORT TO:	AUDIT SUB COMMITTEE	AGENDA ITEM:		

DATE OF
MEETING: 23rd JUNE 2011

CATEGORY:
RECOMMENDED

OPEN

REPORT FROM: HEAD OF CORPORATE SERVICES

MEMBERS'
CONTACT POINT: TONY STAMPER (595706)   DOC:

SUBJECT: UPDATE ON THE IMPLEMENTATION   REF:
            OF FINANCIAL SYSTEMS

WARD(S)   TERMS OF
AFFECTED: ALL   REFERENCE:

1.0 Recommendations

1.1 The Committee are asked to note the update and to make recommendations to Finance and Management Committee.

2.0 Purpose of Report

2.1 The Committee requested an update on the audit work undertaken on the implementation of the new financial systems, as detailed in the Annual Work Plan 2011/12.

3.0 Executive Summary

3.1 In respect of the audit work undertaken the Council's Internal Audit service provides assurance that the Council's key financial systems can be relied upon and that a sound system of internal control exists.

4.0 Detail

4.1 The Annual Work Plan for 2011/12 includes specific time to examine financial systems where the computer application was programmed for replacement during the year.

4.2 The introduction of replacement computer packages renders the risk status as high until the level of internal control has been assessed.

4.3 One of the main risks is ensuring the integrity of the data transferred from the existing system to the new system is maintained and that controls are in place to confirm this.

4.4 This Committee approved the Annual Work Plan at the April meeting and as part of that process highlighted the need to ensure these high-risk areas were addressed early in the programme.

4.5 The Committee requested an update on the audit work covering the implementation of the new finance systems.

4.6 There are three major systems namely Northgate's ResourceLink HR and Payroll system, Agresso's Financial Management system and Academy's Cash receipting and posting system.

4.7 A briefing note detailing the update for the Head of Corporate Services is attached at Appendix1.

5.0 Financial Implications

5.1 None stemming directly from this report.

6.0 Corporate Implications

6.1 Communicating the work of Internal Audit supports the Council's governance and control environment.

7.0 Community Implications

None stemming directly from this report

8.0 Conclusions

8.1 Internal Audit reporting is a key process in ensuring the Council's internal control framework has effective systems to safeguard both the services and finances of the Council.

9.0 Background Papers

9.1 None