



Internal Audit Report

FINAL

Customer & Support Services

Review of Creditors

July 2011

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1 INTRODUCTION

This report has been prepared as a result of the Internal Audit review of Creditors as part of the 2011 - 12 Internal Audit programme.

The Creditors system links directly to the corporate ledger system, Oracle Financials. Internal audit used the browser tool, Discoverer to extract all transactions for the financial year 2010-11. It was established that approximately 150,000 invoices were paid through the creditors system between April 2010 and March 2011 with a total throughput value of just over £171 million.

IDEA data analysis software was then used to carry out testing on the data extracted.

2 AUDIT SCOPE AND OBJECTIVES

The broad objectives of the review were to ensure:

- Sufficient appropriate audit evidence is obtained to determine valuation and accuracy of accounts payable

3 RISK ASSESSMENT

As part of the audit process and in conjunction with our Systems Based Auditing, ICQ approach, the risk register was reviewed to identify any areas that needed to be included within the audit.

There is no Operational Risk Register entry in Pyramid Performance Management System within Customer and Support Services Scorecard, therefore, no areas highlighted for this part of the review.

4 CORPORATE GOVERNANCE

There are no Corporate Governance issues to be reported as a result of this audit.

5 MAIN FINDINGS

Internal Audit found several items highlighted through use of IDEA data analysis software, however, following desktop investigation through the ledgers, it was found that all areas highlighted had already been picked up and addressed by the Creditors section, thus indicating that good controls are in place and operating well.

6 RECOMMENDATIONS

No recommendations were identified as a result of the audit.

7 AUDIT OPINION

Based on the findings we can conclude that sufficient appropriate audit evidence is obtained to determine valuation and accuracy of accounts payable.

8 ACKNOWLEDGEMENTS

Thanks are due to the IT Service Desk for their co-operation and assistance during the Audit.

Argyll & Bute Council's Internal Audit section has prepared this report. Our work was limited to the objectives in section 2. We cannot be held responsible or liable if information material to our task was withheld or concealed from us, or misrepresented to us.

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6 Recommendations

6.1 No recommendations were generated as a result of this Internal Audit review.