

Task Name	Description	Progress	Priority	Assigned To	Completed Date
C1. Journal posting and effective dates	<p>Finding: From our review of the general ledger download containing all journals and transactions relating to the 2023/24 financial year, we identified that the report did not contain both the journal posting date and the effective date. It would be expected that the general ledger download contains both the journal posting date and effective date.</p> <p>Our recommendation: It is recommended that general ledger reports contain all the required fields, including the journal posting and effective date. When reviewing journal entries, management should ensure that the back-posting field is available, as there is the risk that individuals within the business could undertake fraud and hide it through the use of backdated items.</p> <p>Management response: Accepted. We will review the fields for the general ledger download within the new Workday finance system to determine what fields are available with the aim of resolving this.</p>	<p>Completed - Deloitte confirmed via email on 11.7.24 that the 'created moment' in the find journal lines report is what was required and nothing is missing here.</p>	Medium	Kate Cupello; Tony Uttley; Joanna Drinkwater	12/07/2024
C2: Capital versus revenue expenditure	<p>Finding: We have tested the design and implementation of controls over the capitalisation of expenditure. We identified that Workday has embedded segregation of duties and preventative review controls, however there isn't a documented retrospective review of transactions posted to capital and revenue expenditure accounts to ensure correct classification.</p> <p>Our recommendation: It is recommended that a monthly control is implemented to help identify revenue expenditure transactions incorrectly capitalised and capital expenditure incorrectly expensed.</p> <p>Management response: Accepted. ICO will implement a new monthly control to review capital and revenue transactions posted in the month to ensure that they are correctly classified and capitalised or expensed accordingly.</p>	<p>Completed - The Financial Accountant has reviewed the asset register and initiated a cleanse of items no longer needing to be registered.</p> <p>The Financial Accountant reviews all capitalised expenditure on a monthly basis and also regularly reviews key areas of planned and actual revenue expenditure with stakeholders (Projects, Estates, IT) in conjunction with Finance Business Partners to identify ensure that there are no capitalisation omissions.</p> <p>The Month 9 financial position was reviewed in detail in relation to the reconciled fixed assets by both the Financial Accountant and Head of Finance. The same review has taken place for the year-end position in preparation for the Annual Accounts.</p>	Medium	Tony Uttley	31/3/2025

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C3: Fixed Asset Register	<p>Finding: We were provided with a Fixed Asset Register after receiving the first version of the annual report and financial statements.</p> <p>Our recommendation: It is recommended that a Fixed Asset Register is maintained throughout the year and that timely reconciliations to the general ledger and financial statements are conducted and reviewed.</p> <p>Management response: Accepted. We will ensure that a Fixed Asset Register is maintained throughout the year in the new finance system Workday, and that it is reconciled and reviewed regularly.</p>	<p>Completed - The fixed asset register was updated following the 2023/24 year-end in line with the audited Annual Accounts.</p> <p>The fixed asset register has been maintained on an ongoing basis through Workday since then. It has been fully reviewed and reconciled at Month 9 and again at year end in preparation for the 2024/25 Annual Accounts.</p>	Medium	Tony Uttley	31/3/2025
C4: Deficiencies in internal control: user access management <1>	<p>Finding: We identified that whilst approvals are obtained for role change requests, forms used for the requests do not specify detailed information on Workday roles. As a result, it is not possible to verify the approval of the roles granted due to the lack of supporting evidence and detailed information provided.</p> <p>Our recommendation: It is recommended that user access management controls and implemented and a review of the control is documented on a timely basis.</p> <p>Management response: Accepted. The ICO will put in place user access management controls in the new finance system Workday, and implement a documented review on a timely basis.</p>	<p>Completed:</p> <p>A new process has now been established for requesting additional roles.</p> <p>All existing roles were reviewed through a 'desktop assessment' in April 2025 to identify anomalies and to inform the new process. As part of this assessment, no employees were found to have security which was outside of the scope of their work.</p> <p>Similar follow up reviews will also be completed in Q2 and Q3 2025 to identify any new potential themes and to inform any further potential development of the process.</p> <p>We are also exploring Smart Audit software, to further enhance our new process by automatically searching the tenant and identifying instances where users have security which is not in-keeping with their peers.</p> <p>We also plan to transition from shared logs to a formal request system within Workday, to record the request for further security.</p>	Medium	Rob Tomlinson; Mike Fitzgerald	30/4/2025

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C5: Deficiencies in internal control: user access management <2>	<p>Finding: Kainos (a third party providing Workday support to the ICO) holds unrestricted access to the Workday Implementer role, granting them the ability to make changes to Workday configuration and user management. While Kainos users only log in to the ICO Workday instance, when necessary, there are no preventive or detective controls in place to verify or monitor this access.</p> <p>Our recommendation: It is recommended that a documented preventative and detective control is implemented to verify and monitor Kainos activity within Workday.</p> <p>Management response: Accepted. We will design and implement a new preventative and detective control to identify and monitor Kainos third party activity within the new finance system, Workday.</p>	<p>Completed:</p> <p>Detective Control – ICO Product team utilise Workday’s ‘Create Audit Log’ task, which generates a detailed minuted report showing actions completed in the Tenant between selected dates for a given user.</p> <p>Preventative Control – All actions undertaken in Workday by Kainos are pre-authorised by ICO Product Team, and recorded within the Service-NOW ITSM</p>	Medium	Rob Tomlinson; Mike Fitzgerald	31/3/2025
C6: Deficiencies in internal control: user access management <3>	<p>Finding: We identified that whilst there is a review of 3rd party service provider Kainos, it was confirmed that a formal access rights review for ICO end users had not been conducted for Workday application since the implementation. Performing UAR at least annually will ensure management identify users who have access privileges beyond necessary to perform their assigned duties.</p> <p>Our recommendation: It is recommended that a formal access rights review is conducted and documented on a timely basis with sufficient review elements.</p> <p>Management response: Accepted. A formal access rights review of the new finance system Workday will be conducted and reviewed and documented on a timely basis.</p>	<p>Completed – New controls implemented with Kainos Account Manager (KAM) as follows:</p> <ol style="list-style-type: none"> 1) KAM now proactively notifies ICO when a Kainos engineer leaves their organisation or the service area, so their account can be deactivated. 2) List of accounts shared with KAM quarterly (Feb, May, Aug and Nov) for secondary review 3) All accounts are now activated for just three months. <p>Accounts which have not been logged into during the previous quarter are not renewed.</p>	Medium	Rob Tomlinson; Mike Fitzgerald	31/3/2025

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R1. Cut-off accounting of expenditure and liabilities	<p>Finding: we noted several instances whereby expenditure was recognised in the incorrect period, giving rise to misstatements in accruals, prepayments and expenditure.</p> <p>Our recommendation: It is recommended that a control is implemented to ensure expenditure is recognised in the period to which it relates, and a detailed review of accruals and prepayments is conducted throughout the financial year to ensure that they are complete and accurate.</p> <p>Management response: Accepted. The Management accounting processes are being strengthened to ensure more thorough and complete accruals and prepayments.</p>	<p>Completed - in line with the Finance Target Operating Model, we have strengthened the Finance function with the creation of new Finance Business Partner function.</p> <p>A targeted monthly review of expenditure by FBPs and Assistant FBPs is now in place to review accruals and prepayments, and to capture and rectify potential omissions.</p>	High	Sean Clayton	20/12/24
R2. Bank mandate review	<p>Finding: We identified from our review of the bank mandate that the former Head of Finance was still listed as a signatory to the Commissioner's bank accounts.</p> <p>Our recommendation: It is recommended that the bank mandate is reviewed on a regular basis to ensure it is accurate and a true reflection of the ICO's current requirements.</p> <p>Management response: Accepted. The bank mandate will be updated in line with personnel or other changes as and when they occur ensuring it is an accurate and true reflection of the ICO's requirements.</p>	<p>Completed - The bank mandate has been reviewed in-year. Following the review a number of former staff have been removed and their removal confirmed by the bank.</p>	Medium	Ian Greatorex	31/3/2025

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R3. Financial Statements provided to audit	<p>Finding: It was noted during the audit that the trial balance and financial statements provided to audit did not include all adjustments e.g. Right of Use Asset and several versions of the ECL model were provided before being finalised.</p> <p>Our recommendation: It is recommended that the close-down process implemented at month-end and year-end contains all adjustments.</p> <p>Management response: Accepted. RoU assets – Workday has the capability to process the IFRS16 adjustments and we are in the process of ensuring that this works as needed.</p> <p>ECL – This was impacted by a change in personnel and loss of corporate knowledge. The Finance Director has good oversight of this and will ensure knowledge transfer to key individuals during 2024/25 to ensure this is completed correctly and ahead of interim audit in future.</p>	<p>Completed - RoU assets and related lease liabilities are now processed and maintained on an ongoing basis using Workday functionality.</p> <p>The ECL model was updated and provided to the external audit team for review at the interim stage of the audit. Cross training has taken place between the FD and Head of Finance and Financial Accountant.</p> <p>Following the establishment of the final year end penalty position, the ECL model has been updated and the final provision calculation completed and incorporated into the first draft 2024/25 Annual Accounts.</p> <p>The final year-end provision calculations are available for the audit team prior to the start of their final audit visit in May.</p>	Medium	Tony Uttley	31/3/2025

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R4. Accounting for IFRS16	<p>Finding: As detailed on page 20, we noted that a lease was incorrectly accounted for under IFRS16 whereby a rent-free period was not considered in the calculations. In addition to this, we noted that the IFRS16 workings were provided late in the audit process and posted as an adjustment to the TB.</p> <p>Our recommendation: It is recommended that a review of all contracts is conducted to ensure that anything within the scope of IFRS16 is reflected in the TB throughout the year. There should also be a reconciliation between the TB and the IFRS16 working papers maintained by the ICO, with a documented review process. It is also recommended that leases with a rent free period are reviewed and are correctly reflected within the financial statements.</p> <p>Management response: Accepted. The Workday system is capable of producing the IFRS16 accounting entries, and the team are working to ensure that all contracts in scope of IFRS16 are properly recorded in the Workday system to ensure that this can be generated automatically. We will also ensure that there is a documented IFRS16 process in place for 2024/25</p>	<p>Completed – Our new Financial Accountant reviewed Workday functionality for leases as part of her first priorities in role, and has applied that in setting up existing leases on Workday to enable the correct automated accounting. The leases set up in Workday have been maintained since using system functionality. New/ended leases arising in 2024/25 have also been transacted using system functionality. All leases have been reviewed and the rent-free periods recorded appropriately in Workday.</p>	Medium	Tony Uttley	31/3/2025

Task Name	Description	Progress	Priority	Assigned To	Completed Date
22/23: Issues noted on accounting for intangible assets	<p>Finding: From our review of additions made to intangible asset relating to INV202930, we noted that the Invoice date was 16 February 2023 but the asset was capitalized on 1 March 2023. Useful life of the asset: we also noted that the useful life of this intangible asset (5years) is not in line with the amortisation policy as stated in the financial statements which is four years or the length of the contract whichever of the shorter term. Clearly trivial errors have resulted. These are not included as they are below the reporting threshold.</p> <p>Our recommendation: Management is to ensure consistent adherence to the approved accounting policies.</p> <p>Management response: Accepted. Regular reviews are scheduled to take place on asset identification now the financial accountant is in place.</p> <p>Status 23/24: We have identified an intangible asset that has been amortised over a seven year period. This is inconsistent with the accounting policy in the financial statements which states an amortisation period of the shorter of four years or the length of the contract. Recommendation open.</p>	<p>Completed – Following the appointment of the new Financial Accountant, all new assets capitalised are subject to review before they are included on the asset register. This review includes assigning the relevant accounting policies.</p> <p>In addition, regular reviews of the fixed asset register have commenced with identified issues with existing assets addressed accordingly.</p>	Medium	Tony Uttley	31/3/2025