

Case Study

Cabinet Office

There were weaknesses within the financial structures and systems of the Cabinet office that were preventing the timely and accurate reporting of financial information.

Delays in the completion of the 2002-03 annual accounts led to a disclaimer to audit opinion, followed by a Public Accounts Committee hearing. As part of its actions to prevent a recurrence, the Cabinet Office asked Insight MSC to undertake a review of its accounting functions, processes and systems.

The Challenge:

Insight MSC was commissioned to support the Cabinet Office in getting the system and processes up to scratch quickly as well as improving the organisation's financial management and processes

The Solution:

Using Insight MSC's standard tools and methodologies the consultants assisted the Cabinet Office team to:

- ◆ Identify financial responsibilities
- ◆ Draw up financial service level agreements and memoranda of understanding between the Accounting Officer, finance and the divisions
- ◆ Identify the appropriate balance sheet control points for the divisions and directorates

- ◆ Review financial processes
- ◆ Enhance the robustness of the e-POP purchase ordering system and to automate its interface to the accounts, to save significant reporting time and effort
- ◆ Re-implement the SunAccounts and e-POP systems in line with the new accounting structures
- ◆ Set up new financial scrutiny and a new accounting timetable
- ◆ Review the accounts and reconciliations periodically in line with the new accounting timetable
- ◆ Re-design and rebuild the SunAccounts ledgers and interfaces
- ◆ Build new financial reports

The result was key in enabling the Cabinet Office to lay their 2004-05 annual accounts before Parliament before the Summer recess with a clean bill of health, thereby meeting the Treasury's Faster Closure timetable one year ahead of schedule. The re-implemented accounting system is running smoothly.