



Cairngorms
National Park Authority
Ùghdarras Pàirc Nàiseanta a'
Mhonaidh Ruaidh

Paper 3 Annex 1

13 March 2026

Paper 3

Annex 1



Cairngorms National Park Authority

Internal Audit 2025-26

New Finance System
November 2025

Overall Conclusion

Substantial



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The matters raised in this report came to our attention during the course of our audit and are not necessarily a comprehensive statement of all weaknesses that exist or all improvements that might be made.

This report has been prepared solely for Cairngorms National Park Authority’s individual use and should not be quoted in whole or in part without prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any third party.

We emphasise that the responsibility for a sound system of internal control rests with management and work performed by internal audit should not be relied upon to identify all system weaknesses that may exist. Neither should internal audit be relied upon to identify all circumstances of fraud or irregularity should there be any although our audit procedures are designed so that any material irregularity has a reasonable probability of discovery. Every sound system of control may not be proof against collusive fraud. Internal audit procedures are designed to focus on areas that are considered to be of greatest risk and significance.

Overview

Purpose of review

The purpose of this assignment was to review the implementation of the new finance system to assess whether the system is working as anticipated. We also reviewed the implementation process to assess whether deadlines and costs were met, and that staff have received sufficient training on the system.

This review forms part of our 2025/26 Internal Audit Annual Plan.

Scope of review

Our objectives for this review were to assess whether:

- | The new Finance System is fit for purpose and operating in line with good practice.
- | Data has been accurately transferred from the previous Finance System.
- | Sufficient training has been given to those staff who will be using the new Finance System.
- | Appropriate controls have been put in place over the new Finance System, and these are being adhered to by staff.

Our approach to this assignment took the form of discussion with relevant staff, review of documentation and where appropriate sample testing.

Limitation of scope

There was no limitation of scope.

Background

Previous Finance System

Cairngorms National Park Authority (the Organisation) previously used Sage200 as their Finance System. However, the Organisation believed that the system was no longer fit for purpose. Replacing the previous system had been considered by the Finance Team before the current Head of Finance and Corporate Operations first came into post at the end of 2022.

Replacing the Old System

The Organisation had an internal audit (by the previous internal auditors) carried out in October 2023 to review the position for replacing the system. The internal audit report included recommendations to improve the 'Business Case for Replacement of Finance System'. Considering the recommendations made within the audit report, the Business Case was adjusted and presented to the Audit & Risk Committee in June 2024. The conclusion of the presented Business Case was a recommendation to the Committee to purchase Access Financials.

Timeline

A timeline for implementation was prepared:

Stage	Implementation
System design	August 2025
Data Preparation	September 2025
Installation	October / November 2025
System set-up	December / January 2025
Training	February / March 2025
Go Live	1 April 2025

1 Executive summary

The target for fully transitioning to the new system on 1 April 2025 was planned to give enough time for staff to be properly trained ahead of the go live date. The 1 April 2025 date would fall in the middle of the Organisation's pay run processing, so to avoid issues caused by moving to the new system at this time, the go live date was moved to 3 April 2025, with all finances being put through the new system entirely from 7 April 2025.

Data Transfer

To perform the transfer of data from the Sage200 to Access, the data was first extracted from Sage200 into excel format. The Head of Finance and Corporate Operations then mapped this data to the new coding structure used within the Access Financials system. The new system uses more complex coding than the previous system, allowing for costs to be allocated to specific project streams. This includes codes made of three 'parts':

- | Service - which relate to Running Costs, Operational Plan delivery and the Cairngorms 2030 programme (C2030)
- | Project - Where the code will be assigned to a specific project within an aim of the Operational Plan, or a project within the C2030 programme. .
- | Budget code - a code aligned to a specific line item – for example 50000 is Software, 70000 is Grant award capital, and 70130 is Consultancy. Once mapped to coding, the data was uploaded to a test environment within the Access Financial system. Reconciliations were then performed on the data held within the test environment to ensure that the migration was correct.

After the reconciliation of data within the test environment was completed, the data was then uploaded to the live environment of Access Financials. Reconciliations were then performed again, so that the Head of Finance and Corporate Operations was satisfied that the upload to the live environment was accurate. Some issues were found at this stage when, on reconciliation between the purchase ledger control account in the Nominal ledger and the supplier accounts in the Creditors sub-ledger, it was found that some open transactions had not been transferred to the Creditors sub-ledger. The Head of Finance and Corporate Operations found the exact entries that were not correctly uploaded to the new system and sent a list of these to Access for investigation. Access then resolved these issues which meant that final reconciliations could be balanced, confirming that the upload was accurate.

1 Executive summary

Training

The Organisation's Finance Team were provided with training by Access on the new system prior to its implementation. This consisted of live walkthrough sessions with a representative from Access where there were open dialogue and specific discussions on how to tailor the capabilities of the system to the needs of the Organisation. These were all recorded sessions which the Finance Team can rewatch at any time.

The Senior Management Team also received dedicated training, focused on the coding structure and approval workflow; the financial operations module; and the analytics module within the new system.

Staff who are required to raise purchase requests through the finance system received training sessions on how to use each area of the purchasing function within the system, led by the Management Accountant. Additionally, 'how to' documents have been prepared covering each type of purchase request, allowing staff to review the procedures where they are unsure.

New System Benefits

From our discussions with staff and review of the new Finance System, we found that it is fit for purpose. The new system is more efficient and has reduced the overall workload of individual staff. The Organisation wanted the systems to enhance budgeting information available. We held discussions with the Financial Accountant, to discuss the enhanced budgeting features of the new system.

All budgets are loaded into the system using an excel template upload. We noted that the system allows for limited budget reporting, whereby project Budget Holders can view reports showing their total budget, their spend each period, their total commitments, and budget remaining. There is no budget reporting currently available for Running Costs, but this is in development. The reports are interactive and allow users to expand the report and view the individual transactions within. Reports show budget codes relevant to the budget holder. The Financial Accountant delivered training and user guides and has confirmed that project Budget Holders can currently run these reports themselves using the 'self-service' function.

1 Executive summary

The system includes an 'Analysis' reporting module, which allows authorised users to view information, such as income, expenditure, profit and loss, and current bank balance. This information can be filtered and sorted, looking at specific areas or periods. It also provides wide scope for the development of custom reporting. The finance team are gradually developing the skills to allow them to create their own reports and dashboards.

The Head of Finance and corporate Operations and the Financial Accountant are working with Access to custom design budget reports that are fit for purpose. This is a customised functionality. When these developments have been implemented the aim as envisaged, to enhance the budgeting information available to the wider staff group, will be met.

Approval Workflows

The new system includes an authority approval chain mechanism. The users who hold authority for approving purchases through the finance system are clearly defined in the Organisation's Authorisation Workflow. This document shows the full chain of authority relating to each budget code in the system. It details the relevant Budget Holder, head of service, and director for each code, as well as the Deputy Chief Executive Officer and the Chief Executive Officer, showing these would be the end of the approval hierarchy.

The Organisation has an Out of Office procedure where staff in a position to authorise purchase requests are expected to add to the system when they will be absent and to delegate their approval rights. This helps to ensure that purchase requests are passed on to the next person in the chain of authority. We found that staff must select who they delegate the responsibility to when they are out of office, but that the system allows them to delegate to any individual related to that project. See **Section 3: Detailed Recommendations** for further information.

1 Executive summary

Work Undertaken

In line with our objectives, our work undertaken for this review included the following:

Objective 1: The new Finance System is fit for purpose and operating in line with good practice.

- | We reviewed the steps undertaken to assess whether the new finance system would be fit for purpose and address the needs of the Organisation.
- | We reviewed the Business Case for Replacing Financial System presented to the Audit and Risk Committee to assess whether all available options were properly explored before reaching a conclusion.
- | We discussed the use new finance system with the Head of Finance and Corporate Operations to assess whether it is fit for purpose.

Objective 2: Data has been accurately transferred from the previous finance system.

- | We discussed the Organisation's process for data transfer from the old system to Access financials with the Head of Finance and Corporate Operations.
- | We assessed the data transfer process which the Organisation followed through transition to assess whether there was correct transfer of data.
- | We reviewed evidence of the data reconciliations performed to confirm these were appropriate.

Objective 3: Sufficient training has been given to those staff who will be using the new finance system.

- | We reviewed the training conducted by the Organisation surrounding the new finance system to assess whether this was sufficient.
- | We reviewed the "How To" guidance documents prepared for staff using the purchases function of the system.

Objective 4: Appropriate controls have been put in place over the new finance system, and these are being adhered to by staff.

- | We reviewed the controls in place over the new finance system to assess whether there is a clear segregation of duties in place.
- | We reviewed the access rights in place within the new finance system to assess whether these were appropriate.

1 Executive summary

Conclusion

Overall conclusion

Overall Conclusion: Substantial

Following our review, we can provide Substantial assurance surrounding the implementation of the new Finance System at the time of the review. We reviewed the process prior to the new system being implemented, the transition of data, the training, and the current use of the system. While we have raised several good practice points, we have raised one medium grade recommendation for improvement and two observations for consideration. Please see **Section 3: Detailed Recommendation** and **Section 4: Observations** respectively for further information.

Summary of recommendations

Grading of recommendations

	High	Medium	Low	Total
New Finance System	0	1	0	1

As can be seen from the above table there were no recommendations made which we have given a grading of high.

1 Executive summary

Areas of good practice

The following is a list of areas where the Organisation is operating effectively and following good practice.

1.	We completed a walkthrough of the Purchase Request process and compared this process to the steps shown in the 'how-to' guidance documents provided to staff. We found that the guidance documents clearly detail the process for raising purchases within the system.
2.	The Organisation has clearly defined responsibilities for all its projects, with dedicated approval workflows for each within the system.
3.	Training on the use of the new system was presented to the Finance Team, Senior Management and all staff with a purchasing responsibility, with training sessions tailored to the needs of each group.
4.	Reconciliations were performed throughout the data transfer process, allowing the Organisation to ensure data uploaded to the new system was accurate.
5.	The SMT received targeted training ahead of the new finance system's go-live through documentation and live-walkthroughs. The sessions helped to ensure that SMT understood approval workflows, reporting, and budget management.
6.	Training and guidance have been provided to help ensure staff can raise purchase requests. Multiple training sessions were delivered to staff on the different types of purchase request they might need, supported by step-by-step 'How to' guides available on the Organisation intranet for all purchase types.

1 Executive summary

The following is a list of areas where the Organisation is operating effectively and following good practice.

7.	In 2023, the Organisation had an internal audit performed on the replacement of their finance system. Recommendations made within the report were then implemented by the Organisation into its Business Case for switching suppliers. This updated Business Case was then provided to the Audit & Risk Committee in 2024.
8.	Training and engagement took place between the finance team and the system provider, with recorded sessions covering a wide range of finance system functions. Queries were resolved in real time and discussions focused on tailoring the systems features to the needs of the Organisation. There were specific sessions planning for the go-live and any challenges that may need preparation for in advance. Additionally, there are also further training resources available on Access for the Finance Team to use at any time.
9.	From our assessment of the finance system, and our review of the Business Case developed for its implementation, we can confirm that the new system is fit for purpose.

2 Benchmarking

We include for your reference comparative benchmarking data of the number and ranking of recommendations made for audits of a similar nature in the most recently finished internal audit year.

New Finance System

Benchmarking				
	High	Medium	Low	Total
Average number of recommendations in similar audits	0	0	1	1
Number of recommendations at Cairngorms National Park Authority	0	1	0	1

From the table above it can be seen that the Organisation has the same number of recommendations compared to those organisations it has been benchmarked against, although the distribution differs, with a greater proportion of medium grade recommendations.

3 Detailed recommendations

Out-of-Office Purchasing			
Ref.	Finding and Risk	Grade	Recommendation
1.	<p>The Out-of-Office (OOO) function is available on Access and is designed to allow staff in a position to authorise purchase requests to delegate approvals whilst they are unavailable. It is also expected that the list of available delegates is restricted only to those in a position to authorise those purchase requests, as per the approval workflow, and that the system would not allow any staff member without approval authority over a project / service code to be selected.</p> <p>We found that the list of available staff members who an approver can delegate their purchase requests to was not restricted to individuals with authority over the relevant budget. Instead, all staff members relevant to the service / project code were available to be selected including those without budget authority. Following on from our walkthrough testing of the approval workflows, the Management Accountant ran a test purchase to check whether the system would prevent this. The OOO function was activated for an approver, with delegated approval allocated to a member of staff who did not have approval authority for that budget. From this, we have confirmed</p>	Medium	<p>We recommend that the Organisation implement a restriction on the individuals who can have purchase approval delegated to them through the Out-of-Office function. This should ensure that options are restricted only to those in a higher position within the same approval workflow. Alternatively, the system should be set up to prevent purchase requests from being approved by those who do not hold sufficient authority to do so.</p>

3 Detailed recommendations

	<p>that a purchase request can be approved by a staff member without appropriate budget authority, whereby the delegated approver was able to authorise the request within the system. It was noted, however, that all users are allocated a financial authority limit (according to the Park Authority's scheme of delegated authority) and OOO delegation cannot over-ride this.</p> <p>Our assessment of root cause is that the system was not set up with the above restrictions. Discussions with the Management Accountant noted that they had raised this with the service provider early in the development stages, however this was not followed up on and subsequently, functionality for this was not developed.</p> <p>This creates a risk that the system can be exploited to allow members of staff without the correct authority to authorise purchases to be made, as the OOO function could be used to raise unauthorised purchases through the new Access Financial System without any obvious signs of the error on the system. The Organisation have now investigated this and have provided evidence to confirm that the OOO function has not been maliciously exploited to date. We do note that there are further controls in place which would contribute to the mitigation of this risk:</p> <ul style="list-style-type: none"> All system users are allocated to a financial authority limit, whereby delegated approvers as per the OOO		
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3 Detailed recommendations

	<p>function would be restricted to their financial authority limit.</p> <ul style="list-style-type: none"> As described in the report, the systems budget reporting functionality allows for Budget Holder to analyse spend against their budget, and review it broken down per purchase. Upon reviewing these reports, the committed spend breakdown would be an opportunity for the Budget Holder to identify unexpected purchases. Once purchases are approved and raised in the system, payment is not made until the Finance Team matches the purchase order to an invoice and the invoice is approved by the budget holder / Head of Service / Director (as appropriate) for payment. This is a further opportunity to identify any unexpected transactions.		
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3 Detailed recommendations

Management response	Responsibility and implementation date
<p>This issue has arisen because of a flaw in executing the design of the system. We were unaware of the situation and are grateful that this control weakness has been identified.</p> <p>Following discussion with Access, we have established a way of fixing each staff member's delegate so that it is possible to delegate up the chain of authority. To some extent, this will make the OOO procedure easier for staff, as all that will be required of them is to turn the function on when they are unavailable; they will no longer be required to (or be able to) choose their own delegate. Members of the Finance team with administrator access (currently the Head of Finance, the Management Accountant and the Financial Accountant) will be able to amend these fixed delegates when this becomes necessary.</p>	<p><i>Responsible Officer: Head of Finance and Corporate Operations</i></p> <p><i>Implementation Date: January 2026</i></p>

4 Observations

The following is a list of observations from our review

1.	During our walkthrough of the finance system with the Financial Accountant, we noted that there is a 'self-service' function for Budget Holders to run reports of budgeting information without finance's assistance. This would allow Budget Holders to run reports showing their total budget, their spend each period, their total commitments, and budget remaining. However Budget Holders cannot run reports detailing the 'Running Costs' codes. The Financial Accountant has noted that the Organisation is currently working with Access to develop functionality allowing Running Costs report details, which is planned to be set up by December 2025.
2.	From our discussions with the Financial Accountant, the Management Accountant and the Head of Finance and Corporate Operations, we confirmed that the finance system will have a staff expenses function, where staff would submit expenses for approval via the system. We note that this functionality has not yet been made active, and that the Organisation wanted all staff to get comfortable with the new system, and in particular the new purchasing system, before bringing the expenses features live.

5 Audit arrangements

The table below details the actual dates for our fieldwork and the reporting on the audit area under review. The timescales set out below will enable us to present our final report at the next Audit and Risk Committee meeting.

Audit stage	Date
Fieldwork start	10 November 2025
Closing meeting	14 November 2025
Draft report issued	27 November 2025
Receipt of management responses	5 December 2025
Final report issued	12 December 2025
Audit and Risk Committee	13 March 2026
Number of audit days	8

We detail below our staff who undertook the review together with the Organisation staff we spoke to during our review.

Wbg			
Partner	Graham Gillespie	Partner & Head of Internal Audit	gg@wbg.co.uk
Director	Peter Clark	Director of Internal Audit	pcc@wbg.co.uk
Manager	Scott McCready	Senior Internal Audit Manager	smc@wbg.co.uk
Auditor	CJ Scott	Internal Audit Assistant Manager	cjs@wbg.co.uk
Auditor	Dominic McCarthy	Internal Auditor	dmc@wbg.co.uk

Cairngorms National Park Authority			
Key Contacts:	Louise Allen	Head of Finance and Corporate Operations	louiseallen@cairngorms.co.uk
	Katherine August	Financial Accountant	katherineaugust@cairngorms.co.uk
	Mark Tucker	Management Accountant	marktucker@cairngorms.co.uk
Wbg appreciates the time provided by all the individuals involved in this review and would like to thank them for their assistance and co-operation.			

A Grading structure

For each area of review, we assign a level of assurance in accordance with the following classification:

Assurance Classification	
Strong	Controls satisfactory, no major weaknesses found, no or only minor recommendations identified.
Substantial	Controls largely satisfactory although some weaknesses identified, recommendations for improvement made.
Weak	Controls unsatisfactory and major systems weaknesses identified that require to be addressed immediately.
No	No or very limited controls in place leaving the system open to significant error or abuse, recommendations made require to be implemented immediately.

A Grading structure

For each recommendation, we assign a grading either as High, Medium, or Low priority depending on the degree of risk assessed as outlined below:

Grading	Classification
High	Major weakness that we consider needs to be brought to the attention of the Audit and Risk Committee and addressed by senior management of the Organisation as a matter of urgency.
Medium	Significant issue or weakness which should be addressed by the Organisation as soon as possible.
Low	Minor issue or weakness reported where management may wish to consider our recommendation.

Purpose of review

The purpose of the assignment will be to review the implementation of the new finance system to assess whether the system is working as anticipated. We will also review the implementation process to ensure that deadlines and costs were met, and that staff have received sufficient training on the system.

This review forms part of our 2025/26 Internal Audit Annual Plan.

Scope of review

Our objectives for this review are to assess if:

- | The new finance system is fit for purpose and operating in line with good practice.
- | Data has been accurately transferred from the previous finance system.
- | Sufficient training has been given to those staff who will be using the new finance system.
- | Appropriate controls have been put in place over the new finance system, and these are being adhered to by staff.

Our approach to this assignment will take the form of discussion with relevant staff, review of documentation and where appropriate sample testing.

Limitation of scope

There is no limitation of scope.

Audit approach

Our approach to the review will be:

- | An assessment of the implementation of the new system.
- | Testing to ensure that the system is working as anticipated.
- | A review of whether the Trust is fully utilising the benefits and efficiencies that the new systems offer.
- | Consideration of action plans and key milestone dates going forward.
- | A review of the training provided on the new system.
- | A review of the process utilised to transfer data to the new system.

Potential key risks

The potential key risks associated with the area under review are:

- | The new finance system may not be fit for purpose and as a result does not provide an adequate assessment of performance.
- | Inaccurate data has been transferred into the new finance system.
- | Failure to properly train staff may lead to incorrect processes being carried out increasing the time taken to complete tasks and the likelihood of erroneous data being recorded.
- | Controls have not been updated to reflect the changes in systems and as a result no longer provide an effective control environment.