

Marlene Anderson
Director of Finance and Procurement
Crown Office and Procurator Fiscal Service
25 Chambers Street
Edinburgh
EH1 1LA

19 May 2022

Dear Marlene

**Crown Office and Procurator Fiscal Service
Management letter 2021/22**

Audit Scotland's Code of Audit Practice requires us to assess the systems of internal control put in place by management. In carrying out this work, we seek to gain assurance that Crown Office and Procurator Fiscal Service (COPFS):

- has systems for recording and processing transactions which provide a sound basis for the preparation of financial statements
- has systems of internal control which provide an adequate means of preventing or detecting material misstatement, error, fraud or corruption
- complies with established policies, procedures, laws and regulation.

System coverage

Our risk based audit approach allows us to take a three-year cyclical approach to controls testing. This approach enables us to place reliance on previous years' audit work where controls remain unchanged and no significant weaknesses had been identified. In 2021/22 we have reviewed and tested key controls in the following key systems as part of the interim audit for financial year 2021/22:

- Payroll
- General Ledger
- Cash and Banking
- Trade Payables (P2P).

Our testing covered key controls in a number of areas including bank reconciliations, payroll validation and exception reporting, authorisation of journals, change of supplier bank details, IT access controls and witness payments.

2021/22 Control findings

No significant key control weaknesses were identified from our interim audit work. The results of our testing did not require us to amend our audit approach for the financial statements. This will enable us to take controls assurance on key systems as planned for our audit of the 2021/22 annual accounts.

Prior year controls testing

Our 2020/21 audit testing did not identify any significant control weaknesses. We did identify two less significant issues in relation to changes to supplier bank details and witness claims. We have reviewed progress against the recommendations including reviewing the updated processes put in place by Finance and found these to be satisfactory.

Conclusion

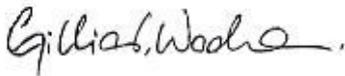
On the basis of audit work undertaken and for those key controls tested, we were able to conclude that appropriate and effective internal controls were in place. It is the responsibility of management to decide on the extent of the internal control system appropriate to COPFS.

All our outputs and any matters of public interest will be published on our website: www.audit-scotland.gov.uk.

Acknowledgement

The contents of this letter have been discussed with relevant officers to confirm factual accuracy. The co-operation and assistance we received during the course of our audit from the COPFS is gratefully acknowledged.

Yours sincerely



Gillian Woolman
Audit Director

Cc (email):

Nikolaos Koutris, Head of Financial Accounting & Finance Systems
Ian Palmer, Finance and Procurement Executive Assistant