

# Notes from the meeting with Finance Controller and Database Administrator

## Email response from the Financial Controller

From: Jonelle Mosley <Jonelle.Mosley@SuperStore.com>  
To: Juliet Draidgoch <JulietDraidgoch@visioncapital.co.uk>  
Subject: Financial Control Framework

Hello Juliet,

Thank you for contacting me. I am happy to discuss the current controls in place at SuperStore.

Before I go into the specifics of the control environment, I thought it would be helpful to note that we are currently in the process of undertaking a business transformation programme. One of the key projects in the business transformation programme was the introduction of a new finance system in the financial year. We performed user testing and test transactions before we migrated the data across. Although we have completed the migration, I believe that there were some transactions that hadn't been reconciled at the point of migration. I think that some data quality issues were identified. However, I'm sure that the Database Administrator has resolved them by now.

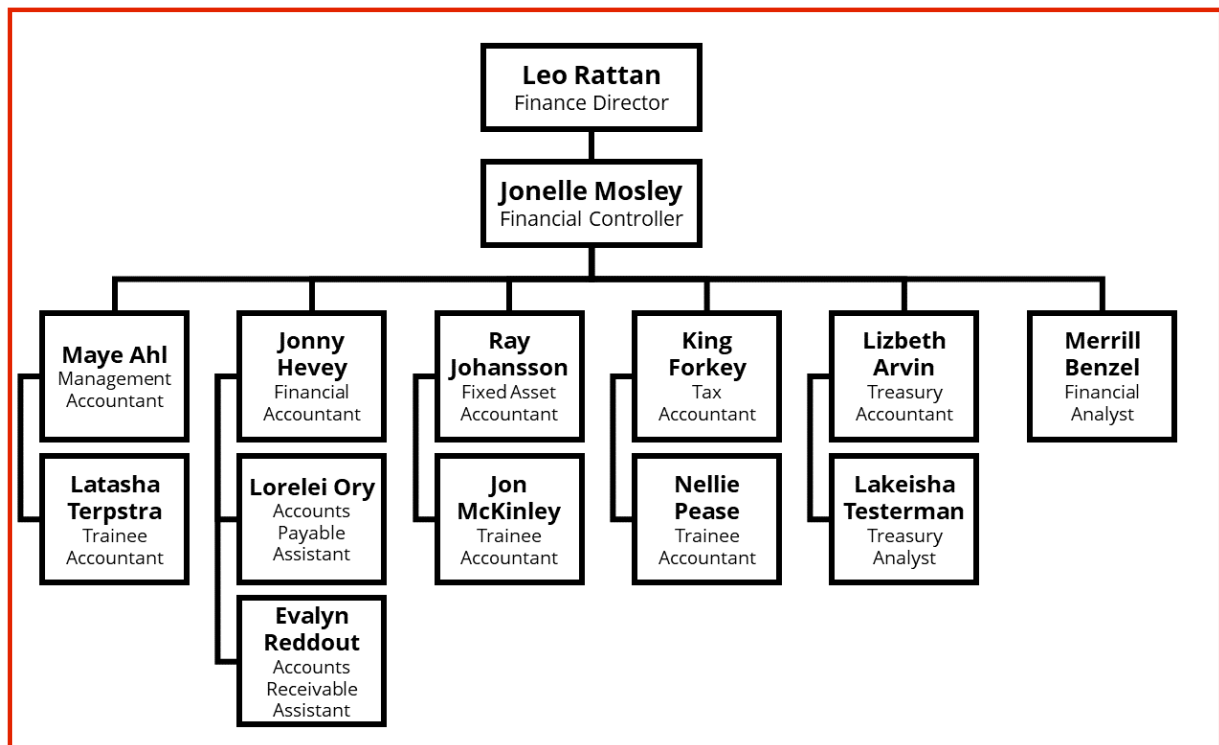
Regardless, overall we have strict regulations and financial processes in place that enforce a sound control environment. These controls ensure segregation of duties and reduce the risk of management override of controls and fraud, both misappropriation of assets and fraudulent financial reporting. Alongside our control environment, as part of our transformation programme, we have designed streamlined key financial and reporting processes that support the business operations. Unfortunately, given that we are still in the process of business transformation, these financial processes have not yet been documented.

I have attached the organisational chart for the finance department to give you an understanding of the department's structure. You have already received a copy of the manual journal entries as part of the general ledger. Given the migration of the general ledger during the year, we have split the transactions into two datasets. The first covers January–June 2019 with the legacy application and the second contains July–December 2019 data for our new system. In addition, I have provided information on the authorisers and preparers and the delegation of authority matrix. This should demonstrate the segregation of duties controls within our control environment.

Hopefully this email has reassured you of any concerns you had about the control environment at SuperStore.

Kind regards,  
Jonelle Mosley  
Financial Controller  
SuperStore

### Organisational chart for finance department



## Delegation of authority matrix

	Trainee accountant	Accounts payable / Receivable assistant	Treasury / Financial analyst	Treasure / Management / Financial / Fixed asset / Tax accountant	Financial controller
Prepare journal entries up to 1 mil in value	X	X	X	X	X
Prepare journal entries over 1 mil in value			X	X	X
Approve journal entries up to 1 mil in value				X	X
Approve journal entries over 1 mil in value					X

## Notes by Juliet Draidgoch following her informal discussion with the Database Administrator

- Database Administrator, Ian Morgan, has been in place for six months.
- Current data architecture includes a recently changed Database Management System.
- SuperStore is currently involved in a business transformation programme.
- Ian has serious concerns about the way data is handled in the organisation and has encountered problems that he believes to be mismanaged.
  - For instance, he discovered a system failure in 2017 in Central Asia that resulted in a lack of data being recorded for that region. This is not an infrequent issue.
  - Further, SuperStore had a data breach in September 2019 that in his view was 'swept under the rug'. No individuals or organisations were informed of the data breach and it was not disclosed to any regulatory bodies.
  - He has begun to examine the data quality of data within the organisation and has found incompleteness. Some fields, such as Postal Code in the sales data, are not a required field to be filled out and therefore are frequently not inputted into the system.
- Ian has provided the data dictionaries for the journals datasets and the sales dataset.

## Data dictionary for the sales data

Field Name	Data Type	Data Format	Field Size	Description	Example
Row ID	Numerical		5	Unique number ID for all rows	123
Order ID	Text	AA-NNNN-AANNNNNNNN-NNNNN	23	Unique ID for Order made up of Customer ID	AA-1234-AB1234567-12345
Order Date	Date	DD/MM/YYYY	10	Date order was placed by the customer	01/02/2016
Ship Date	Date	DD/MM/YYYY	10	Date order was shipped by manufacturer	01/03/2016
Ship Mode	Text		20	Type of shipping selected by customers out of 'First Class', 'Second Class', 'Standard Class' and 'Next Day'	First Class
Customer ID	Text	AA-NNNNNNNN	10	Unique ID for customer	AB-1234567
Customer Name	Text		20	First and Last Name for all Customers	Joe Bloggs
Segment	Text		20	Segment of customer out of 'Consumer', 'Home Office' or 'Corporate'	Consumer
Postal Code	Numerical		5	Postal Code for customer	01010
City	Text		40	City of customer location	London
State	Text		40	State of customer location	England
Country	Text		40	Country of customer location	United Kingdom

Region	Text		40	Region of customer location	Northern Europe
Market	Text		40	Market of customer location	Europe
Product ID	Text	ABC-AB-NNNN	11	Unique ID for Product made up of Category, Sub-Category and a unique numerical identifier	AAAA-BB-1234
Category	Text		20	Category of product ordered out of 'Office Supplies', 'Furniture' and 'Technology'	Technology
Sub-category	Text		20	Subcategory of product ordered	Phones
Product Name	Text		100	Name of product with additional details specified after the comma	Samsung Speaker Phone, Cordless
Sales	Float	£.2sf	10	Sales amount in £s	£500.00
Quantity	Integer		5	Quantity of product ordered	10
Discount	Float	0.2sf	4	Discount percentage applied in decimals	0.20
Profit	Float	£.2sf	10	Profit amount in £s produced on sales order	£100.00
Shipping Cost	Float	£.2sf	10	Shipping cost in £s	£50.00
Order Priority	Text		10	Priority of the order out of 'Critical', 'High', 'Medium' and 'Low'	High

## Data dictionary for the journals data

Field Name	Data Type	Data Format	Field Size	Description	Example
Account	Numerical	NN-NN-NNNN	10	Account Code	00-10-1001
AccountDesc	Text		50	Account Code Description	Provisions - Stock Write-downs
TransDesc	Text		10	Transaction Description	123
Debit	Float	.2sf	10	Debit Amount in £s	100.00
Credit	Float	.2sf	10	Credit Amount in £s	100.00
Period	Numerical	NNNN-N	7	Period journal was posted made up of the year and the month	2019-1
JnlNo	Integer		3	Journal Number	10
JnlDesc	Text		50	Journal Description	Reversed by Jnl 2019-1 Journal No. 10
Amount	Float	.2sf	10	Total Amount in £s	-100.00
JnlPrep	Text	ABNN	4	Employee code who prepared the journal	AB01
JnlAuth	Text	ABNN	4	Employee code who authorised the journal	AB01
JnlDateTime	Date / Time	DD/MM/YYYY HH:MM:SS	19	Date and time journal was posted	01/01/2019 09:30:00