

**MINUTES of MEETING of AUDIT COMMITTEE held in the COUNCIL CHAMBER, KILMORY,
LOCHGILPHEAD on FRIDAY, 21 FEBRUARY 2003**

Present: Councillor John Stirling(Chair)

Councillor Robert Macintyre Mr Graham Michie
Councillor Alistair MacDougall

Attending: Charles Reppke, Head of Democratic & Community Services
Gerry Wilson, Head of IT Infrastructure
Bruce West, Head of Accounting
Ian Nisbet, Internal Audit Manager
Steve Keightley, KPMG
Brian Howarth, Audit Scotland

Apologies: Councillor Gordon McKinven Mr Vincent Bradbury
Councillor James McQueen

1. MINUTES

The Committee approved the minutes of the Audit Committee of 8 November 2002 as a correct record.

2. CORPORATE GOVERNANCE/RISK MANAGEMENT

In accordance with Corporate Governance arrangements a formal assessment of business risks is required to be undertaken by the Council, and a report set out a proposed timetable to achieve this.

Decision

The Audit Committee noted the arrangements in place to train staff with regard to strategic and operational risks; the creation of a Risk Register and the ongoing monitoring and updating of the register.

(Ref: Report by Head of Legal Services dated 27 January 2003, submitted).

**3. PROGRESS REPORT ON EXTERNAL AUDIT REPORTS FROM
PRICEWATERHOUSE COOPERS TO THE COUNCIL FOR 2000/01**

Internal Audit has prepared a list of all external audit management letters where recommendations still remain outstanding. The Head of IT Infrastructure and the Head of Accounting updated the Committee on elements of the management letters which they still require to complete actions on.

Decision

1. Agreed to noted the contents of the Report.
2. That Internal Audit continue to pursue completion of the outstanding matters.

(Ref: Report by Internal Audit Manager dated 21 February 2003, tabled)

4. PROGRESS REPORT ON EXTERNAL AUDIT REPORTS TO COUNCIL FROM 2001/02

Internal Audit has prepared a list for all external audit management letters produced by Audit Scotland for 2001/2. A review regarding the progress made by management in the implementation of these reports recommendations has been undertaken.

Decision

To note the contents of the Internal Audit Manager's Report and that it be followed up by Internal Audit.

(Ref: Report by Internal Audit Manager dated 21 February 2003, tabled).

5. PROGRESS REPORT ON INTERNAL AUDIT PLAN 2002-2003

An interim progress report has been prepared covering the audit work performed by Internal Audit during the third quarter of 2002-3.

Decision

To note the progress made with the Annual Audit Plan 2002-2003.

(Ref: Report by Internal Audit Manager dated 21 February 2003, submitted).

6. ANNUAL AUDIT PLAN 2003-2004

The Internal Audit Manager reported on the annual Audit Plan 2003-4.

Decision

That the Annual Audit Plan for 2003/4 be approved.

(Ref: Report by Internal Audit Manager dated 21 February 2003, submitted).