



26 November 2004

NOTICE OF MEETING

A meeting of the **AUDIT COMMITTEE** will be held in the **COUNCIL CHAMBER, KILMORY, LOCHGILPHEAD** on **FRIDAY, 3 DECEMBER 2004** at **2:30 PM**, which you are requested to attend.

Nigel Stewart
Director of Corporate Services

BUSINESS

- 1. APOLOGIES FOR ABSENCE**
- 2. DECLARATIONS OF INTEREST (IF ANY)**
- 3. MINUTES**
Audit Committee 27 August 2004 (Pages 1 - 4)
- 4. EXTERNAL AUDIT PMP REPORTS 2002-3**
Report by Internal Audit Manager (Pages 5 - 12)
- 5. HMIE REPORT 2002-3**
Report by Internal Audit Manager (Pages 13 - 16)
- 6. ADAPTING TO THE FUTURE 2003-4**
Report by Internal Audit Manager (Pages 17 - 26)
- 7. RECENT EXTERNAL AUDIT ISSUED REPORTS 2003-4**
Report by Internal Audit Manager (Pages 27 - 36)
- 8. AUDIT SCOTLAND REVIEW OF INTERNAL AUDIT (FOLLOW-UP)**
Report by Internal Audit Manager (Pages 37 - 44)
- 9. ESTABLISHMENT OF A QUALITY PROCESS**
Report by KPMG (Pages 45 - 46)

- 10. EXTERNAL AND INTERNAL AUDIT REPORT FOLLOW UP 2004-5**
Report by Internal Audit Manager (Pages 47 - 88)
- 11. PROGRESS REPORT ON INTERNAL AUDIT PLAN 2004-5**
Progress by Internal Audit Manager (Pages 89 - 92)
- 12. KPMG WORKPLAN FOR INTERNAL AUDIT PARTNERING CONTRACT**
Report by KPMG (Pages 93 - 96)
- 13. KPMG AND INTERNAL AUDIT STRATEGY 2005-8**
Report by KPMG (Pages 97 - 102)
- 14. UPDATE ON DEBTORS USER GROUP**
Report by Head of Strategic Finance (to follow)
- 15. OUTSTANDING AUDIT RECOMMENDATIONS**
Report by Head of Strategic Finance (to follow)
- 16. AUDIT OF ACCOUNTS 2003/04: MEMBERS LETTER/AUDIT OF ACCOUNTS AND CERTIFIED ACCOUNTS**
Please bring with you the papers previously circulated with the Council agenda for 24 November 2004.
- E1 17. REVIEW OF INTERNAL AUDIT PARTNERSHIP**
Report by Head of Strategic Finance (Pages 103 - 106)

The Committee will be asked to pass a resolution in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973 to exclude the public for items of business with an "E" on the grounds that it is likely to involve the disclosure of exempt information as defined in the appropriate paragraph of Part I of Schedule 7a to the Local Government (Scotland) Act 1973.

The appropriate paragraphs are:-

E1 Paragraph 8 The amount of any expenditure proposed to be incurred by the authority under any particular contract for the acquisition of property or the supply of goods or services.

Paragraph 9 Any terms proposed or to be proposed by or to the authority in the course of negotiations for a contract for the acquisition or disposal of property or the supply of goods or services.

AUDIT COMMITTEE

Councillor Donald MacMillan
Councillor Gary Mulvaney (Chair)
Councillor John Tacchi

Councillor John McAlpine
Councillor Elaine Robertson

Contact: Melissa Stewart

Tel. No. 01546 604406