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26 February 2010

NOTICE OF MEETING

A meeting of the **AUDIT COMMITTEE** will be held in the **MEMBERS' ROOM, KILMORY, LOCHGILPHEAD** on **FRIDAY, 5 MARCH 2010** at **11:00 AM**, 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 11 December 2009 (Pages 1 - 8)
4. **E-PROCUREMENT SCOTLAND**
Report by Exchequer Services Manager (Pages 9 - 12)
5. **BEST VALUE REVIEWS**
Report by Head of Improvement and Strategic HR (to follow)
6. **SERVICE REVIEW OF INTERNAL AUDIT**
Report by Head of Strategic Finance (Pages 13 - 22)
7. **FINANCIAL STATEMENTS 2009-2010**
Report by Head of Strategic Finance (Pages 23 - 24)
8. **AUDIT SCOTLAND NATIONAL REPORTS TO AUDIT COMMITTEE 2009 - 2010**
Report by Internal Audit Manager (Pages 25 - 38)
9. **ANTI FRAUD STRATEGY REVIEW**
Report by Internal Audit Manager (Pages 39 - 40)
10. **NATIONAL FRAUD INITIATIVE 2008/2009**
Report by Internal Audit Manager (Pages 41 - 42)

11. **PROGRESS REPORT ON INTERNAL AUDIT PLAN 2009 - 2010**
Report by Internal Audit Manager (Pages 43 - 46)
12. **AUDIT PLAN 2009 - 2010**
Report by Grant Thornton UK LLP, External Auditors (Pages 47 - 66)
13. **ANNUAL AUDIT PLAN 2010 - 2011**
Report by Internal Audit Manager (Pages 67 - 84)
14. **EXTERNAL & INTERNAL AUDIT REPORT FOLLOW UP 2009 - 2010**
Report by Internal Audit Manager (Pages 85 - 104)
15. **RISK MANAGEMENT AND BUSINESS CONTINUITY STRATEGY**
Report by Governance and Risk Manager (to follow)
16. **INTERNAL AUDIT REPORTS TO AUDIT COMMITTEE 2009 - 2010** (Pages 105 - 108)
 - (A) REVIEW OF CONTRACT MANAGEMENT (PAGES 109 - 118)
 - (B) CAR ALLOWANCES (PAGES 119 - 126)
 - (C) REVIEW OF EUROPEAN FUNDED PROJECTS (PAGES 127 - 134)
 - (D) REVIEW OF STRATEGIC RISK REGISTER (PAGES 135 - 146)
 - (E) REVIEW OF BUSINESS CONTINUITY (PAGES 147 - 154)
 - (F) REVIEW OF PURCHASING - COMMUNITY SERVICES (PAGES 155 - 164)
 - E1 (G) FILE TRANSFER REVIEW (PAGES 165 - 176)

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 1 of Schedule 7a to the Local Government (Scotland) Act 1973.

The appropriate paragraph is:-

- E1** **Paragraph 14** Any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

AUDIT COMMITTEE

Councillor Gordon Chalmers
Councillor David Kinniburgh
Councillor James Robb
Christopher Valentine

Councillor Mary-Jean Devon
Councillor Andrew Nisbet
Ian M M Ross

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