

PROGRESS REPORT ON INTERNAL AUDIT PLAN 2004 - 2005

1. SUMMARY

An interim progress report has been prepared covering the audit work performed by Internal Audit up to 30 July 2004. The objective of the report is to advise members of the progress of the annual audit plan. (See Appendix 1).

2. RECOMMENDATION

2.1 The Audit Committee is asked to approve the progress made with the annual audit plan for 2004 - 05.

3. BACKGROUND

3.1 The progress report contained in Appendix 1, lists the audits scheduled for the financial year 2004 –2005 and ordered by section and level of completion.

3.2 As at 30 July 2004 out of 20 core financial systems audits, 3 have been completed with final reports issued. Of the remaining 17 audits, 5 have been started this leaves 12 audits to be progressed throughout the remainder of the financial year.

3.3 A total of 11 non-financial audit areas have been planned for this financial year. As at 30 July 2004 a total of 3 audits have been completed. This leaves 8 audits of which 2 audits have been started leaving 6 audits to be progressed throughout the remainder of this financial year. Of the remaining 6 audits KPMG has been assigned 2.

3.4 A total of 160 days have been set aside within the Annual Audit Plan for Special Investigations. As at 30 July 2004 a total of 23 days have been expended on one investigation.

3.5 Follow-up work has been covered for both internal and external audit reports. The reviews carried out for the external audit reports are the subject of separate reports to the Audit Committee.

4. SUMMARY OF 1st QUARTER AUDIT ACTIVITIES FOR 2004 - 2005

4.1 In the 1st quarter good progress was made with all audits and this puts the section in a reasonable position to progress the rest of the annual audit plan.

5. CONCLUSION

Progress is being made on audits planned for 2004 – 05.

6. IMPLICATIONS

- | | | |
|-----|----------------------|---|
| 5.1 | Policy: | Update on audit plan for 2004 – 05. |
| 5.2 | Financial: | The audit plan is based on existing budgeted provision. |
| 5.3 | Personnel: | None |
| 5.4 | Legal: | None |
| 5.5 | Equal Opportunities: | None |

For further information please contact Ian Nisbet, Internal Audit Manager (01546 604216)

Ian Nisbet
Internal Audit Manager 30 July 2004.
30julyprogreport30July