

**PROGRESS REPORT ON 2001/2002 AUDIT PLAN**

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**1. SUMMARY**

An interim progress report covering audits performed by Internal Audit during 2001-02 is appended. (See Appendix 1).

**2. RECOMMENDATIONS**

2.1 The contents of this report are noted.

**3. DETAILS**

3.1 The report appended lists the audits which were scheduled for the financial year 2001 – 02. The objective of the report is to advise members of the progress of each audit. The reference, the audit name, start date, planned/actual completion date, percentage completion, auditor and comments are given for each audit.

3.2 The audits are categorised as follows:

- External Audit works for PricewaterhouseCoopers (PwC).
- Core Financial Systems Audits
- Departmental Audits
- Special Investigations and
- Follow up Reviews.

3.3 A total of 5 core systems audits were planned for the financial year of which 3 have been completed with final reports issued and 2 were deferred. A total of 17 departmental audits were planned for in 2001 - 02. Out of this total of 2 audits were not covered with 1 being cancelled and another being deferred. A further departmental audit was superseded by work covered by the Information Technology Department. See Appendix 1.

Of the remaining 14 audits:

- 11 are complete with final reports issued and
- 3 are at final draft stage.

3.4 A total of 12 special investigations has been carried out to the end of March 2002 and set out in Appendix 1. All external audit work in respect of PricewaterhouseCoopers (PwC) has been completed.

3.5 At the present time there are 3 remaining departmental audits being brought to conclusion. The delay in completing these remaining audits has been the result of staff shortages, therefore arrangements have been made with KPMG to cover 2 of these departmental audits with the one remaining audit covered by Internal Audit. These actions will help ensure compliance with the remainder of the audit plan for 2001 - 2002.

- 3.6 The Internal Audit section has seen the return of the Senior Audit Assistant from maternity leave and secured the services of an experienced qualified accountant for a year's contract. The accountant previously covered work for the section in the latter part of the 2001 and was well received. He will be available from mid May 2002 after completion of work with Audit Scotland. This will bring our staff situation to almost complete with the recruitment of another permanent accountant due to start at beginning of July 2002. The only vacant post remaining to be filled is that of Audit Assistant.

#### **4. CONCLUSIONS**

Progress has been made on audits planned for 2001 - 02. With the exception of 5 audits as detailed above the planned audits for 20001 – 02 have been completed.

#### **5. IMPLICATIONS**

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| 5.1 | Policy:              | None |
| 5.2 | Financial:           | None |
| 5.3 | Personnel:           | None |
| 5.4 | Legal:               | None |
| 5.5 | Equal Opportunities: | None |

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