

**ANNUAL AUDIT PLAN 2006 - 2007**

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**1. SUMMARY**

This annual audit plan has been prepared in conjunction with our Internal Audit partners KPMG. The audit plan for 2006 - 2007 is year 2 of the 3 year Strategic Audit Plan approved by the Audit Committee on the 4<sup>th</sup> of March 2005 and ensures that Internal Audit resources are effectively planned and controlled. The plan outlines in detail the areas that will be audited in 2006 – 2007. This complies with the Audit Scotland request to provide additional information to auditees.

**2. RECOMMENDATIONS**

2.1 The Annual Audit Plan for 2006 - 2007 is approved.

**3. DETAILS**

3.1 Attached is the proposed Annual Internal Audit Plan for 2006 - 2007, which has been presented to the Strategic Management Team (SMT). It provides detail as to the proposed time and audits for the coming financial year. The areas were agreed as part of the overall 3-year audit plan for the years 2005 – 2008.

3.2 This annual plan increases the awareness amongst departments of the audit objectives for 2006 – 2007, and it is hoped will aid departments with planning and preparation.

3.3 The annual audit plan has 2 audit categories. They are core and non financial audits. A table for both categories has been prepared listing each audit the date last audited and the number of assigned audit days for 2006 - 2007. Within the non financial audit section, account has been taken of the recent Best Value review of the Council by Audit Scotland. A number of days have therefore been identified that would allow Internal Audit to assist with addressing the reports issues.

3.4 The annual plan includes a chart showing the audits, their categories, and when in 2006 – 2007 they are likely to take place. The likely timing and objectives of the audits were discussed with Heads of Service and line managers. However, it should be noted that the audits could be subject to change in content and timing. A section has been included within the annual audit plan which lays out the broad scope and objectives for each of the audit sections.

**4. CONCLUSIONS**

The Audit Plan addresses the key areas highlighted in our Audit Needs Assessment process and will assist the preparation of an annual assurance statement on the Council's overall Internal Financial Control Framework.

**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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