

**PROGRESS REPORT on EXTERNAL AUDIT REPORTS TO COUNCIL FROM  
2001/2002**

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**1. SUMMARY**

Internal Audit has prepared a list for all external audit management letters produced by Audit Scotland as the Councils new external auditors. (See Appendix 1). A review regarding the progress made by management in the implementation of external audit recommendations has been performed the results of which are detailed below.

**2. RECOMMENDATIONS**

2.1 The contents of this report are to be noted and followed up by Internal Audit.

**3. DETAILS**

3.1 An external audit management report was received from Audit Scotland entitled Regularity & Governance 2001/2002. A review by Internal Audit as at the 11<sup>th</sup> October 2002 indicated that out of 9 agreed recommendations 6 have been implemented and 3 remain outstanding. Of these remaining recommendations, 2 have completion dates later in the financial year and for the remaining recommendation a new completion date has been agreed. (See Appendix 2).

3.2 With regard to the above management letters, Internal Audit has accepted management assurances that implementation has taken place. Further testing will be performed as part of the new 3-year audit plan.

**4. CONCLUSIONS**

Implementation of recommendations will continue to be monitored by Internal Audit as part of the annual audit plan. Those action points remaining to be implemented have been reported to committee with reports provided by the appropriate officials.

**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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