

**PROGRESS REPORT ON INTERNAL AUDIT PLAN 2002 - 2003**

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**1. SUMMARY**

An interim progress report has been prepared covering the audit work performed by Internal Audit during the second quarter of 2002 – 03. The objective of the report is to advise members of the progress with the audit plan. (See Appendix 1).

**2. RECOMMENDATIONS**

2.1 The Committee is asked to approve the progress made with the annual audit plan for 2002 - 03.

**3. BACKGROUND**

3.1 The progress report contained in Appendix 1, lists the audits scheduled for the financial year 2002 –2003. The objective is to advise members of the progress with this years audit plan.

3.2 Good progress has been made in general with all audits. Of the 16 core audits 9 have been progressed as at the end of the 2<sup>nd</sup> quarter. Out of the 9 areas 5 final audit reports have been issued.

3.3 Good progress has also been made with non-core audits. Out of a total of 6 audit areas 4 have been progressed and 3 final reports issued.

3.4 Within the special investigation and contingency section further audit work has been performed in the second quarter where 2 further special investigations were carried out. Additional work for the Chief Executive has been carried involving the Capital Programme, which is due to be reported on in November. (See Appendix 1).

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

**4. SUMMARY OF 2nd QUARTER AUDIT ACTIVITIES FOR 2002 - 2003**

4.1 Members of the audit team attended the CIPFA Scottish Audit Conference in September where updates were obtained on emerging issues. Both members found the conference worthwhile.

**5. CONCLUSION**

Progress is being made on audits planned for 2002 – 03.

## **6. IMPLICATIONS**

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| 5.1 | Policy:              | Update on audit plan for 2002 – 03.                     |
| 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  |

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