

PROGRESS REPORT ON INTERNAL AUDIT PLAN 2009 - 2010

1. SUMMARY

An interim progress report has been prepared covering the audit work performed by Internal Audit up to 13 November 2009. 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 2009 - 2010.

3. BACKGROUND

3.1 The progress report contained in Appendix 1 lists the audits scheduled for the financial year 2009 –2010, and are ordered by section and level of completion.

3.2 For the purpose of the progress report, Audits are deemed to be complete following fieldwork and issue of the Draft Report. Of the 15 completed audits, 11 reports have been finalised and 4 remain in draft:

- Corporate Services – Business Continuity Management
draft issued 13 July 2009
- Community Services – Purchasing/Creditors
draft issued 4 November 2009
- Corporate Services – Car Allowances draft issued 16 November 2009
- Operational Services – Payroll processes for Catering, Cleaning and Janitorial

3.3 As at 13 November 2009, of 19 core financial systems audits set out in the audit plan presented on 6 March 2009, 9 have been completed. Of the remaining audits, 5 have been started.

3.4 Of 15 non-financial audit areas set out in the audit plan presented on 6 March 2009, 6 have been completed as at 13 November 2009. Of the remaining audits, 4 have been started.

3.5 A total of 100 direct audit days were set aside in the annual audit plan for Special Investigations / Contingency work. As at 13 November 2009, 17 days have been expended. One audit has been completed and the final report issued. A total of 97 days were set aside in the audit plan for Other Areas, to date 32 days have been expended.

4. SUMMARY OF AUDIT ACTIVITIES FOR 2009 - 2010

- 4.1 It can be reported that Internal Audit continues to make progress with the Annual Audit Plan. Appendix 1 shows that a total of 473 direct audit days have been expended on planned audits as at 13 November 2009. At the same period in November 2008 a total of 386 direct audit days had been expended.

The staffing level within Internal Audit is now up to its full complement. Additional resources will be provided to complete the audit plan.

- 4.2 As noted above current progress with the Internal Audit plan remains relatively on schedule against the approved annual plan.

5. CONCLUSION

Progress is being made on audits planned for 2009 – 2010.

6. IMPLICATIONS

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| 6.1 | Policy: | Update on audit plan for 2009 – 10. |
| 6.2 | Financial: | The audit plan is based on budgeted provision. |
| 6.3 | Personnel: | None |
| 6.4 | Legal: | None |
| 6.5 | Equal Opportunities: | None |

For further information please contact Alex Colligan, Internal Audit Manager (01546 604271)