

PROGRESS REPORT ON INTERNAL AUDIT PLAN 2010 - 2011

1. SUMMARY

An interim progress report has been prepared covering the audit work performed by Internal Audit as at 28 May 2010. 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 2010 - 2011.

3. BACKGROUND

3.1 The progress report contained in Appendix 1 lists the audits scheduled for the financial year 2010 –2011, 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 32 audits set out in the 2010 – 2011 Annual Audit Plan, two final reports have been issued:

- Customer Services and Development and Infrastructure Services – Review of Capital Contract Management; and
- Community Services and Development and Infrastructure Services – Stocktaking and WiP.

3.3 As at 28 May 2010, of 18 core financial systems audits set out in the audit plan presented on 5 March 2010, 2 audits have been completed and another is at draft stage. Of the remaining 15 audits 4 have been started.

3.4 As at 28 May 2010, of 14 non-financial audits set out in the audit plan presented on 5 March 2010, one audit area Corporate Governance Statement has incurred days with a draft statement compiled and presented to the SMT, Audit Committee and Executive for approval and inclusion in the 2009 – 2010 Annual Accounts. In addition, direct audit days have been expended on the Public Service Improvement Framework (PSIF).

3.5 A total of 100 direct audit days were set aside in the annual audit plan for Special Investigations / Contingency work. As at 28 May 2010, 2 of the 100 days have been expended on NFI work in preparation for the 2010 – 2011 national exercise. A total of 97 days were set aside in the audit plan for Other Areas, to date 16 days have been expended.

4. SUMMARY OF AUDIT ACTIVITIES FOR 2010 - 2011

- 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 82 direct audit days have been expended on planned audits as at 28 May 2010.
- 4.2 As noted above current progress with the Internal Audit plan remains on schedule against the approved annual plan.

5. CONCLUSION

Progress is being made on audits planned for 2010 – 2011.

6. IMPLICATIONS

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| 6.1 | Policy: | Update on audit plan for 2010 – 2011. |
| 6.2 | Financial: | The audit plan is based on budgeted provision. |
| 6.3 | Personnel: | None |
| 6.4 | Legal: | None |
| 6.5 | Equal Opportunities: | None |

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