

PROGRESS REPORT ON INTERNAL AUDIT PLAN 2011 - 2012

1. SUMMARY

An interim progress report has been prepared covering the audit work performed by Internal Audit as at 27 May 2011 for the financial year 2011 - 2012. 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 2011 - 2012.

3. BACKGROUND

3.1 The progress report contained in Appendix 1, lists the audit topics scheduled for the financial year 2011 –2012, 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 a Draft Report. Of the 40 audits topics set out in the 2011 – 2012 Annual Audit Plan, 2 audits have been completed, and final draft reports issued:

- Stock Control 2010 – 2011; and
- Cash and Income Banking - Community Services

3.3 As at 27 May 2011, of 15 core financial systems audits set out in the audit plan presented on 4 March 2011, 2 audits have been completed. Of the remaining 13 audits 2 have been started.

3.4 As at 27 May 2011, of 7 business systems audits planned as yet none have been commenced.

3.5 As at 27 May 2011, of 13 corporate performance audit topics outlined in the annual audit plan, 2 have commenced.

3.6 A total of 100 direct audit days were set aside in the annual audit plan for Special Investigations / Contingency work. As at 27 May 2011, no days have been expended. A total of 95 days were set aside in the audit plan for Other Areas, of which, 14 days have been expended inclusive of NFI work.

4. SUMMARY OF AUDIT ACTIVITIES FOR 2011 - 2012

4.1 It can be reported that Internal Audit is making progress with the Annual Audit Plan. Appendix 1 shows that a total of 46 direct audit days have

been expended on planned audits so far this financial year.

- 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 2011 – 2012. The Audit Committee will continue to receive quarterly progress reports.

6. IMPLICATIONS

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| 6.1 | Policy: | Update on audit plan for 2011 – 2012. |
| 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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