

PART A

Report to: Audit Committee
Date of meeting: 13th March 2013
Report of: Senior Auditor
Title: Internal Audit Progress Report

1.0 **SUMMARY**

This report and appendices provide updated information on the work undertaken by Internal Audit on the 2012/2013 Audit Plan in the period 1st April 2012 to 15th February 2013.

2.0 **RECOMMENDATIONS**

2.1 The contents of the report be noted.

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Report approved by: Bernard Clarke – Head of Strategic Finance.

3.0 DETAILS

- 3.1 This report covers the work undertaken by Internal Audit since the last report to Audit Committee in January 2013.
Appendix (1) shows the position on audits from the 2012/13 Audit Plan, including cumulative time taken for the year compared to the time allocated in the annual audit plan.
Appendix (2) shows the local performance measures for 2012/13 to 15th February 2013.
- 3.2 The work undertaken to 15th February 2013 on the planned audits for 2012/2013 as listed in Appendix 1 has not, at this stage, generated issues that need to be brought to the attention of the Audit Committee, other than as previously reported.
- 3.3 The departure of the Audit Manager has resulted in a proportion of the audits allocated for 2012/13 to be postponed until 2013/14 or deleted if no longer considered necessary. In planning for this, priority has been given to ensuring that the managed audits (covering the main financial systems) are completed before 31 March 2013.
- 3.4 The Committee is asked to note that Deloitte & Touche have been allocated 14 days to carry out Payroll/expenses Audit (managed Audit).

4.0 IMPLICATIONS

4.1 Financial

- 4.1.1 The Head of Strategic Finance comments that there are no financial implications in this report.

4.2 Legal Issues (Monitoring Officer)

- 4.2.1 The Head of Legal and Property Services comments that there are no legal issues in the report. The Council has a responsibility to ensure that it maintains an adequate and effective system of internal audit of its accounting records and of its system of internal control in accordance with proper practices in relation to internal control.

4.3 Potential Risks

| Potential Risk | Likelihood | Impact | Overall score |
|---|------------|--------|---------------|
| The most significant potential risk is the possibility that Internal Audit work is of poor quality and the service ineffective. This could lead to an increase in control weaknesses, in greater risks to the Council and to a loss of confidence by the external auditors in Internal Audit and the Council's control environment. | 1 | 3 | 3 |

Background Papers

The following background papers were used in the preparation of this report. If you wish to inspect or take copies of the background papers, please contact the officer named on the front page of the report.

Audit Files

File Reference

None.