

AGENDA ITEM NO:

Audit Committee
18 March 2008

REPORT OF THE CHIEF AUDITOR

Report to: Audit Committee – 18 March 2008

Date: 18 March 2008

Report from: Chief Auditor

Title of report: **DRAFT INTERNAL AUDIT PLAN 2008-09**

Purpose of report: To present the internal audit plan for 2008-09

Recommendations: That the Audit Committee approves the plan

Audit Plan 2008-09

1. The audit programme for 2008-09 has been produced for consideration by CMG after discussions with Managers, external audit and reference to the Council's agreed priorities. It includes both traditional and new areas of work. Traditional audits include review of the fundamental financial systems and some projects. New areas include risk reviews that focus on ensuring that significant risks have been identified and are being appropriately managed.
2. The plan is spread across financial, operational, computer and limited value for money (vfm) auditing.
3. The approach to the audit of the fundamental financial systems has been changed by the introduction of the International Auditing Standards (ISAs) introduced into mainstream audit in 2004 and adopted in Local Government in 2006. The key aspect of the change is the requirement to identify, document, and test fundamental financial systems in a particular way. Financial audit remains the anchor point of the plan.
4. Other areas for audit and risk reviews are selected from the Risk Database. The operations included on this year's audit plan are those with a risk score in the upper quartile by comparison with other HBC services.
5. The plan is underpinned by a set of planning assumptions in relation to available days.
6. Specific Terms of Reference for each audit are agreed with relevant Directors and Managers before the commencement of each audit.
7. The plan will keep aligned to the corporate objectives.

Internal Audit Plan 2008-09

	Fundamental and Financial Audits	Risk Reviews, Follow-up and Other
April	Museum project International Auditing Standards end of year work covering all fundamental controls	Museum shop (Management request)
May	Local Area Agreement - Grants	Risk Review – Information Governance
June		Project Risk Review
July	Cash Income and Bank Reconciliations	Capital Accounting Follow up and Systems Post Implementation Review
August		Risk Review - Homelessness
September	Debtors	Audit Committee identified activity
October	Tressell Training Closure Audit (in conjunction with the college)	Risk Review – Environmental Services Contract Supervision
November	Agresso – Installation Audit and Payroll Follow up	Follow up - Housing Benefit
December		Use of Resources – key Lines of Enquiry
January	National Non-Domestic Rates	
February	International Auditing Standards Compliance work covering all fundamental controls	
March		Annual Reporting – Annual Governance Statement, Audit Committee Report to Council and Annual Audit Plan

Audit Plan 2008-09

Appendices and background documents:

None

Policy implications

Please tick if this report contains any implications for the following:

Equalities & Community Cohesiveness	<input type="checkbox"/>
Crime and Fear of Crime (Section 17)	<input type="checkbox"/>
Risk Management	<input type="checkbox"/>
Environmental issues	<input type="checkbox"/>
Economic / Financial implications	<input type="checkbox"/>
Human Rights Act	<input type="checkbox"/>
Organisational Consequences	<input type="checkbox"/>

Report written by

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