

**COMMITTEE: AUDIT AND GOVERNANCE**

**DATE: 22 JUNE 2010**

**SUBJECT: INTERNAL AUDIT ANNUAL REPORT 2009/10**

**REPORT BY: AUDIT MANAGER**

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**IMPLICATIONS:**

**LEGAL** ☐

**COMMUNITY** ☐

**SAFETY**

**EQUALITIES** ☐

**ENVIRONMENT** ☐

**FINANCIAL** ☐

**RISKS** ☒

**STAFFING** ☐

**OTHER**

**WARDS AFFECTED: NONE**

**PURPOSE**

- 1 To provide an opportunity for the Audit and Governance Committee to consider the Internal Audit Annual Report for 2009/10.

**RECOMMENDATION**

- 2 **The Committee is asked to receive the Internal Audit Annual Report for the financial year 2009/10.**

**BACKGROUND**

- 3 The requirement for an internal audit function derives from Regulation 6 of the Accounts and Audit Regulations 2003 (as amended), made under the Audit Commission Act 1998, and which require a relevant body (such as the Council) to

"maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control."

- 4 The aim of the Internal Audit Service Annual Report is to provide an overview of the work undertaken by the Service in the financial year 2009/10. It also illustrates the degree of assurance that the Audit and

Governance Committee can take on the control environment for the financial year ended 31st March 2010.

## **REPORT**

- 5 The Annual Internal Audit Report for 2009/10 is attached as Appendix A. The main item to note is that this records an adequate level of control assurance. The report will be presented to the Committee.

## **RISK IMPLICATIONS**

- 6 The whole essence of the Annual Internal Audit Report is concerned with risk and control. If the matters recorded are not addressed there is a risk to the Council of financial loss through error, inefficiency or irregularity.

## **FINANCIAL IMPLICATIONS**

- 7 There are no financial implications to this report other than those set out in the body of the report. This has been agreed with the Head of Corporate Finance on 8 June 2010.

## **LEGAL IMPLICATIONS**

- 8 There are no direct legal implications to this report save for those set out in the body of the report. This has been agreed with the Head of Legal Services on 8 June 2010.

## **APPENDIX**

- 9 Attached as an Appendix to this report is a copy of the Internal Audit Service Annual Report for the financial year 2009/10.

## **LIST OF BACKGROUND PAPERS**

### **LOCAL GOVERNMENT ACT 1972, SECTION 100D**

- 10 (a) The Accounts and Audit Regulations 2003 .
- (b) The CIPFA Code of Practice for Internal Audit in Local Government in the United Kingdom.