

**Report to: Audit Committee**

**Subject: Summary of Audit Activity**

**Date: 19<sup>th</sup> June 2012**

**Author: Service Manager - Audit & Risk Management**

**1. PURPOSE OF REPORT**

To summarise the outcome of Internal Audit activity for the period April to June 2012.

The report will highlight all final reports issued and associated key findings, concerns identified in any work in progress, details of liaison with management and External Audit and provide details of any changes to the Annual Audit Plan.

**2. SUMMARY OF INTERNAL AUDIT ACTIVITY**

**Final Reports Issued**

The following reports have been finalised for the period April – June 2012.

- IAR1112-07 Insurance & Inventory
- IAR1112-17 Financial Management System (FMS)
- IAR1213-01a-e Leisure Centre Cashiers
- IAR1213-02 Civic Centre Cashiers

**IAR1112-07 Insurance & Inventory**

The report provided **substantial assurance** with respect to the adequacy and effectiveness of controls deployed to mitigate the risks associated with the areas reviewed. Three low risk recommendations were made.

These predominantly related to the review and update of procedural guidance and consideration to placing these on the intranet.

### IAR1112-17 FMS

The report provided **substantial assurance** with respect to the adequacy and effectiveness of controls deployed to mitigate the risks associated with the areas reviewed. Three low risk recommendations were made.

In addition to the recommendations the following areas of good practice were highlighted:

- Access rights to the Agresso system remain up-to-date with starters and leavers and are appropriate to each user's role.
- Journals are independently reviewed.
- The month-end timetable ensures that all reports are produced in a timely manner following the end of the month.

### IAR1213-01a-e Leisure Centre Cashiers

Unannounced spot checks of the cash held at the Council's five Leisure Centre's were undertaken. There were no material discrepancies identified.

### IAR1213-02 Civic Centre Cashiers

Unannounced spot checks of the cash held at the Civic Centre was undertaken. There were no discrepancies identified.

### **Work in Progress**

The above reviews represent the final reports in respect of the 2011-12 financial year, and ensure completion of the 2011-12 audit plan.

## **4. RECOMMENDATION**

The Audit Committee are asked to note the report and in particular that the level of assurance provided in each audit assignment will be taken into account when Internal Audit provide an overall opinion on assurance in the Annual Report at the end of the financial year.