

**INTERNAL AUDIT MANAGER'S ANNUAL  
REPORT FOR 2007-2008**

Head of Finance

**1.0 Purpose**

The Head of Internal Audit is required to provide a written annual report to those charged with governance timed to support the Annual Governance Statement. In the past this has been incorporated in and considered as part of the Statement of Accounts, however it is now considered best practice for the report to be considered separately from the Annual Governance Statement and formal Accounts.

**2.0 Recommendation**

**The committee is requested to note the contents of the Internal Audit Manager's report for 2007-8.**

**3.0 The Assurance Framework**

- 3.1 This committee's terms of reference include dealing with external and internal audit issues. This report allows formal recognition of the Internal Audit Manager's report by a committee of the Council.
- 3.2 The Council is required to issue its draft Statement of Accounts (subject to Audit) by 30<sup>th</sup> June each year. That matter will be reported to this meeting of the Audit Committee on 24<sup>th</sup> June 2008. Included in the statement of accounts is a statutory Annual Governance Statement to be signed by the Leader and Chief Executive. This statement gives assurance that matters relating to the Council's operations are being properly managed and controlled.
- 3.3 The Annual Governance Statement draws upon the management and internal control framework of the Council especially the work of Internal Audit and the Council's Risk Management framework. In particular the independent report of the Council's Audit Manager is a significant factor in determining the position to be reported.
- 3.4 The attached report includes the Internal Audit Manager's overall opinion on the adequacy and effectiveness of the Council's risk management systems and internal control environment.

**4.0 Options Considered**

None – The Internal Audit Manager's Report is a statutory requirement.

## **5.0 Resource Implications**

5.1 The resources required to produce the report have been found from within the Internal Audit Section's budget.

## **6.0 Response to Key Aims and Outcomes**

The Internal Audit Manager's report is required to support the Annual Governance Statement. As such it is an integral part of the Council's Annual Accounts and requires formal consideration at Committee.

## **7.0 Reason for Recommendation**

To comply with legislation.

Contact Officer  
Background Documents

Peter H Watson  
Final Account papers  
Audit reports