

Self-Assessment against the requirements of the new Public Sector Internal Audit Standards

Ref	Requirement	Current position	Actions required
1000.A1	<p>The nature of assurance services provided to the organisation must be defined in the internal audit charter. If assurance services are to be provided to parties outside the organisation, the nature of these assurances must also be defined in the internal audit charter.</p> <p>The charter must include:</p> <p>Internal audit activity's purpose, authority and responsibility.</p> <p>Position of IA within the authority.</p> <p>Authorisation of access to records, personnel and physical properties.</p> <p>Definition of the scope of internal audit activities.</p> <p>Definition of the terms 'Audit Committee' and senior management for the purposes of IA activity.</p> <p>Arrangements for appropriate resourcing.</p> <p>Definition of the role of IA within any fraud related work; and</p> <p>Arrangements for avoiding conflicts of interest if internal audit undertakes non-audit activities.</p>	Charter requires updating.	Update Charter and seek approval of the Audit Committee.

1000.C1	The nature of consulting services must be defined in the audit charter.		
1010	<p><u>Recognition of the Definition of Internal Auditing, the Code of Ethics and the Standards in the Internal Audit Charter</u></p> <p>The chief internal auditor should discuss the mandatory nature of the definition of internal auditing, the Code of Ethics and the Standards with senior management and the Audit Committee.</p>	Will be presented to the Audit Committee.	Produce Code of Ethics and seek approval from the Audit Committee.
1100	<p><u>Independence and Objectivity</u></p> <p>The Chief Internal Auditor has unrestricted access to senior management and the Audit Committee.</p> <p>Objectivity requires that internal auditors do not subordinate their judgement on audit matters to others. Threats to objectivity must be managed at the individual auditor, functional and operational levels.</p>	<p>Enshrined within paragraph 9 of the Internal Audit Terms of Reference.</p> <p>Auditors do not give opinions on areas they have worked before or given advice in the development of controls.</p>	
1110	<p><u>Organisational Independence</u></p> <p>The Chief Internal Auditor must confirm to the Audit Committee, at least annually, the organisational independence of the internal audit activity.</p> <p>The Chief Internal Auditor must have free and unfettered access to the chief executive and the chair of the audit committee.</p>	Paragraph 3 of the Internal Audit Terms of Reference.	

	<p>The chief internal auditor should report functionally to the Audit Committee, examples of functional reporting to the Audit Committee involve the Audit Committee:</p> <p>Approving the internal audit charter.</p> <p>Approving the risk based audit plan.</p> <p>Approving the internal audit budget and resource plan.</p> <p>Receiving communications from the chief internal auditor on the internal audit activity's performance relative to its plan and other matters.</p> <p>Approving decisions regarding the appointment and removal of the chief internal auditor.</p> <p>Approving the remuneration of the chief internal auditor¹; and</p> <p>Making appropriate enquiries of management and the Chief Internal Auditor to determine whether there are inappropriate scope or resource limitations.</p>	<p>The above can be evidence within the Audit Committee minutes.</p> <p>And such issues will be brought to the attention of the s151 Officer and the Chair of the Audit Committee.</p>	
1110.A1	<p>The internal audit activity must be free from interference in determining the scope of internal auditing, performing work and communicating results.</p>	<p>Reliance on the Head of Internal Audit with the support of the s151 Officer and the Audit Committee.</p>	

¹ Governance requirements in the UK Public Sector would not generally involve the Audit Committee approving the chief internal auditor's remuneration specifically. The underlying principle is that the independence of the CIA is safeguarded by ensuring his or her remuneration is not inappropriately influenced by those subject to audit. In the UK public sector, this can be achieved by ensuring that the chief executive (or equivalent) countersigns, contributes feedback to or reviews the performance appraisal of the CIA and that feedback is also sought from the chair of the audit committee.

1111	<p><u>Direct Interaction with the Audit Committee</u></p> <p>The Chief Internal Auditor must communicate and interact directly with the Audit Committee.</p>	The Head of Internal Audit attends all Audit Committee meetings and offers a one to one with the Chair prior to meetings.	
1120	<p><u>Individual Objectivity</u></p> <p>Internal auditors must have an impartial, unbiased attitude and avoid any conflict of interest.</p>	Auditors are required to complete declarations of interest annually.	
1130	<p><u>Impairment to Independence or Objectivity</u></p> <p>If independence or objectivity is impaired in fact or appearance, the details of the impairment must be disclosed to appropriate parties.</p>	The Head of Internal Audit to report to s151 Officer.	
1130.A1	Internal Auditors must refrain from assessing specific operations for which they were previously responsible. Objectivity is presumed to be impaired if an internal auditor provides assurance services for an activity for which the internal auditor had responsibility within the previous year.	Head of Internal Audit and the Audit Manager will ensure the allocation of work precludes any issues of objectivity.	
1130.A2	Assurance engagements for functions over which the chief internal auditor has responsibility must be overseen by a party outside the internal audit activity.	Internal Audit is independent of all other activities at Bury Council.	
1130.C1	Internal auditors may provide consulting services relating to operations for which they had previous responsibilities.	Currently Internal Audit does not offer consultancy services.	

1130.C2	<p>If internal auditors have potential impairments to independence or objectivity relating to proposed consulting services, disclosure must be made to the engagement client prior to accepting the engagement.</p> <p>Public sector requirement – Approval must be sought from the Audit Committee for any significant additional consulting activities not already included in the audit plan, prior to accepting the engagement.</p>	<p>As above.</p> <p>Audit Plans have to be approved by the Audit Committee.</p>	
1200	Engagements must be performed with proficiency and due professional care.	Not Applicable.	
1210	Public Sector Requirement – the Chief Internal Auditor must hold a professional qualification (CMIIA, CCAB or equivalent) and be suitably experienced.	The Head of Internal Audit holds a Chartered Public Financial Accounting qualification and held the post since April 2007.	
1210.A1	The Chief Internal Auditor must obtain competent advice and assistance if the internal auditors lack the knowledge, skills or other competencies needed to perform all or part of the engagement.	The Head of Internal Audit along with the Audit Manager provide the Auditors with skills and knowledge required to undertake the work allocated.	
1210.A2	Internal auditors must have sufficient knowledge to evaluate the risk of fraud and the manner in which it is managed by the organisation, but are not expected to have the expertise of a person whose primary responsibility is detecting and investigating fraud.	Obtained by training, team briefings, and 1:1 if required. The Audit Manager is a qualified Investigative Auditor.	

1210.A3	Internal Auditors must have sufficient knowledge of key information technology risks and controls and available technology based audit techniques to perform their assigned work. However, not all internal auditors are expected to have the expertise of an internal auditor whose primary responsibility is information technology auditing.	We have a Qualification in Computer Auditing (QiCA) qualified Auditor and buy-in expert services from Salford Council's Computer Audit Team under an AGMA agreement.	
1210.C1	The chief internal auditor must decline the consulting engagement or obtain competent advice and assistance of the internal auditors lack the knowledge, skills or other competencies needed to perform all or part of the engagement.	Not Applicable.	
1220	<u>Due Professional Care</u> – Internal auditors must apply the care and skill expected of a reasonably prudent and competent internal auditor. Due professional care does not imply infallibility.	All Auditors hold an Accountancy or Internal Audit qualification and are highly experienced and skilled.	
1220.A1	Internal auditors must exercise due professional care by considering the; <ul style="list-style-type: none"> • Extent of work needed to achieve the engagement's objectives • Relative complexity, materiality or significance of matters to which assurance procedures are applied • Adequacy and effectiveness of governance, risk management and control processes • Probability of significant errors, fraud or 	Guidance for the Auditors is available within the Audit Manual. All the Auditors are highly experienced and all work is quality checked prior to completion.	

	non-compliance; and Cost of assurance in relation to potential benefits.		
1220.A2	In exercising due professional care auditors must consider the use of technology-based audit and other data analysis techniques.	Bury are a member of the AGMA Computer Audit Group where knowledge is exchanged and shared.	
1220.A3	Internal auditors must be alert to the significant risks that might affect objectives, operations or resources. However, assurance procedures alone, even when performed with due professional care, do not guarantee that all significant risks will be identified.	Auditors discuss their findings with the Audit Manager.	
1220.C1	Internal auditors must exercise due professional care during a consultancy engagement by considering the; <ul style="list-style-type: none"> • Needs and expectations of clients, including the nature, timing and communication of engagement results • Relative complexity and extent of work need to achieve the engagement's objectives; and • Cost of the consulting engagement in relation to potential benefits. 	Not Applicable.	
1230	Continuing Professional Development – Internal auditors must enhance their knowledge, skills and other competencies through CPD.	This is undertaken by the professionally qualified Internal Audit employees.	

1300	<p><u>Quality Assurance and Improvement Programme</u></p> <p>The Chief Internal Auditor must develop and maintain a quality assurance and improvement programme that covers all aspects of the internal audit activity.</p> <p>The QA programme should enable an evaluation to be made of the internal audit activity's conformance with the <i>Definition of Internal Auditing</i> and the <i>Standards</i> and an evaluation of whether internal auditors apply the <i>Code of Ethics</i>.</p> <p>The programme also assesses the efficiency and effectiveness of the internal audit activity and identifies opportunities for improvement.</p>	Performance indicators based upon the CIPFA model, are presented to the Audit Committee quarterly.	
1310	<p><u>Requirements of the Quality Assurance and Improvement Programme</u></p> <p>The quality assurance and improvement programme must include both internal and external assessments.</p>	External assessments currently undertaken by the Council's External Auditors at three yearly intervals and the results reported to the Audit Committee.	
1311	<p>Internal assessments must include:</p> <p>On-going monitoring of the performance of the internal audit activity; and</p> <p>periodic self-assessments or assessments by other persons within the organisation with sufficient knowledge of internal audit practices.</p>	Overseen by the Audit Committee and the s151 Officer.	

1312	<p>External assessments</p> <p>External assessments must be carried out at least once every five years by a qualified, independent assessor or assessment team from outside the organisation. The Chief Internal Auditor must discuss with the Audit Committee:</p> <ul style="list-style-type: none"> • The form of external assessments; and • the qualifications and independence of the external assessor or assessment team, including any potential conflict of interest. <p>External assessments can be in the form of a full external assessment, or a self-assessment with independent external validation.</p> <p>The chief internal auditor must agree the scope of external assessments with an appropriate sponsor, e.g. the Accounting / Accountable officer or the chair of the audit committee as well as with the external assessor or assessment team.</p>	<p>External Assessments currently carried out by External Audit every three years and reported to the Audit Committee.</p>	
1320	<p><u>Reporting on the Quality Assurance and Improvement Programme</u></p> <p>Public sector requirement – the results of the quality and assurance programme and progress against any improvement plans must be reported in the annual report.</p>	<p>Performance of the Audit Section is reported in the Annual Report to the Audit Committee and at each of the four meetings during the year.</p>	
1321	<p><u>Use of 'Conforms with the International Standards for the Professional Practice of Internal Auditing'.</u></p> <p>The Chief Internal Auditor may state that the internal audit activity conforms with the</p>	<p>Overseen by the Audit Committee and the s151 officer.</p>	

	<p>International Standards for the Professional Practice of Internal Auditing only if the results of the quality assurance and improvement programme support this statement.</p> <p>Interpretation: The internal audit activity conforms with the Standards when it achieves the outcomes described in the definition of Internal Auditing, Code of Ethics and Standards.</p>		
1322	<p><u>Disclosure of Non-conformance</u></p> <p>When non-conformance with the definition of Internal Auditing, the Code of Ethics or the Standards impacts on the overall scope or operation of the internal audit activity, the chief internal auditor must disclose the non-conformance and the impact to senior management and the Audit Committee.</p> <p>Public sector requirement – Instances of non-conformance must be reported to the Audit Committee. More significant deviations must be considered for inclusion in the governance statement.</p>	Overseen by the Audit Committee and the s151 Officer.	
2000	<p><u>Managing the Internal Audit Activity</u></p> <p>The Chief Internal Auditor must establish an annual risk based audit plan. The plan should take account of the risk management framework, including risk appetite levels set by management for the different activities or parts</p>	The plan is risk based and all departments are consulted on the plan prior to a draft coming before the audit committee for approval. The plan is dynamic in that it can	

	of the organisation. If the risk management framework is not well established, then the chief internal auditor must use their own judgement of risks after consideration of input from senior management and the Audit Committee. The chief internal auditor must review and adjust the plan as necessary in response to changes in the organisation's business, risks, operations, programs, systems and controls.	be changed at the discretion of the Head of Internal Audit.	
2010.A	The internal audit activity's plan of engagements must be based on a documented risk assessment undertaken at least annually. The input of senior management and the Audit Committee must be considered in this process.	The Head of Internal Audit carries out an annual assessment of the "Risk Universe".	
2010.A2	The Chief Internal Auditor must identify and consider the expectations of senior management, the Audit Committee and other stakeholders for internal audit opinions and other considerations.	Annual "Roadshows" are undertaken and departmental manager's views are taken into consideration when formulating the plan.	
2010.C1	The Chief Internal Auditor should consider accepting proposed consulting engagements based on the engagement's potential to improve management of risks, add value and improve the organisation's operations. Accepted engagements must be included in the plan.	Not applicable.	
2020	<u>Communication and Approval</u> The Chief Internal Auditor must communicate the internal audit activity's plans and resource requirements, including significant interim	Presented to the February Audit Committee each year.	

	changes, to senior management and the Audit Committee for review and approval. The chief internal auditor must also communicate the impact of resource limitations.		
2030	<p><u>Resource Management</u></p> <p>The Chief Internal Auditor must ensure that internal audit resources are appropriate, sufficient and effectively deployed to achieve the approved audit plan.</p> <p>Public Sector requirement – the risk based plan must explain how internal audit’s resource requirements have been assessed.</p> <p>Where the chief internal auditor believes that the level of agreed resources will impact adversely on the provision of the annual audit opinion, the consequences must be brought to the attention of the Audit Committee.</p>	<p>Discussed at 1:1 meetings with the s151 Officer.</p> <p>The plan and how it was allocated is presented to the February Audit Committee for their approval.</p> <p>Overseen by the Audit Committee.</p>	
2040	<p><u>Policies and Procedures</u></p> <p>The Chief Internal Auditor must establish policies and procedures to guide the internal audit activities.</p>	<p>An Internal Audit Manual is available along with Terms of Reference and the Charter.</p>	
2050	<p><u>Co-ordination</u></p> <p>The Chief Internal Auditor should share information and coordinate activities with other internal and external providers of assurance and</p>		

	<p>consulting services to ensure proper coverage and minimise duplication of efforts.</p> <p><u>Public sector requirement</u></p> <p>The Chief Internal Auditor must include in the risk based plan the approach to using other sources of assurance and any work required to place reliance upon those other sources.</p>		
2060	<p><u>Reporting to senior management and the Audit Committee</u></p> <p>The Chief Internal Auditor must report periodically to senior management and the Audit Committee on the internal audit activity's purpose, authority, responsibility and performance relative to its plan. Reporting must also include significant risk exposures and control issues, including fraud risks, governance issues and other matters needed or requested by senior management and the Audit Committee.</p>	<p>Quarterly reports to the Audit Committee and fortnightly 1:1 with s151 Officer.</p>	
2070	<p><u>External Service Provider and Organisational Responsibility for Internal Auditing</u></p> <p>When an external service provider serves as the internal audit activity, the provider must make the organisation aware that the organisation has the responsibility for maintaining an effective internal audit activity.</p> <p>This will be demonstrated through the quality</p>	<p>Not Applicable as we have an in-house Internal Audit Service.</p>	

	assurance and improvement programme which assures conformance with the Definition of Internal Auditing, the Code of Ethics and the Standards.		
2100	<p><u>Nature of Work</u></p> <p>The internal audit activity must evaluate and contribute to the improvement of governance, risk management and control processes using a systematic and disciplined approach.</p>	Risk Based Internal Audit Plan is produced following consultation with Directorates and approval sought from the Audit Committee and s151 Officer.	
2110	<p>Governance</p> <p>The internal audit activity must assess and make appropriate recommendations for improving the governance process in its accomplishment of the following objectives:</p> <ul style="list-style-type: none"> • Promoting appropriate ethics and values within the organisation; • ensuring effective organisational performance management and accountability; • communicating risk and control information to appropriate areas of the organisation; and co-ordinating the activities of and communicating management information among the Audit Committee, external and internal auditors and management. 	See Terms of Reference and Code of Ethics.	

2110.A1	The internal audit activity must evaluate the design, implementation and effectiveness of the organisation's ethics-related objectives, programmes and activities.	Head of Internal Audit sits on the Governance Panel of the Council which meets quarterly.	
2110.A2	The internal audit activity must assess whether the information technology governance of the organisation supports the organisation's strategies and objectives.	Through the Audit Plan.	
2120	<p><u>Risk Management</u></p> <p>The internal audit activity must evaluate the effectiveness and contribute to the improvement of risk management processes.</p>	Through the Audit Plan.	
2120.A1	<p>The internal audit activity must evaluate risk exposures relating to the organisation's governance, operations and information systems regarding the;</p> <ul style="list-style-type: none"> • Achievement of the organisation's strategic objectives. • Reliability and integrity of financial and operational information. • Effectiveness and efficiency of operations and programmes. • Safeguarding of assets; and Compliance with laws, regulations, policies, procedures and contracts. 	Through the Audit Plan.	

2120.A2	The internal audit activity must evaluate the potential for the occurrence of fraud and how the organisation manages fraud risk.	Anti-Fraud & Corruption Strategy regularly reviewed by the Head of Internal Audit and the Fraud Risk Assessment Plan.	
2120.C1	During consultation engagements, internal auditors must address risk consistent with the engagement's objectives and be alert to the existence of other significant risks.	Not Applicable.	
2120.C2	Internal auditors must incorporate knowledge of risks gained from consulting engagements into their evaluation of the organisation's risk management processes.	Not Applicable.	
2120.C3	When assisting management in establishing or improving risk management processes, internal auditors must refrain from assuming management responsibility by actually managing risk.	Audit Manual.	
2130	Control The internal audit activity must assist the organisation in maintaining effective controls by evaluating their effectiveness and efficiency and by promoting continuous improvement.	Through Internal Audit Plan.	
2130.A1	The internal audit activity must evaluate the adequacy and effectiveness of controls in responding to risks within the organisation's governance, operations and information systems regarding the:	Through the Internal Audit Plan.	

	<ul style="list-style-type: none"> • Achievement of the organisation's strategic objectives. • Reliability and integrity of financial and operational information. • Effectiveness and efficiency of operations and programmes. • Safeguarding of assets. • Compliance with laws, regulations, policies, procedures and contracts. 		
2130.C1	Internal auditors must incorporate knowledge of controls gained from consulting engagements into evaluation of the organisation's control processes.	Not Applicable.	
2200	<p><u>Engagement Planning</u></p> <p>Internal auditors must develop and document a plan for each engagement, including the engagement's objectives, scope, timing and resource allocations.</p>	Individual job-sheet required stating the scope and objectives of the audit.	
2201	<p><u>Planning Considerations</u></p> <p>In planning the engagement, internal auditors must consider:</p> <ul style="list-style-type: none"> • The objectives of the activity being reviewed and the means by which the activity controls its performance. • The significant risks to the activity, its objectives, resources and operations and the means by which the potential impact of risk is kept to an acceptable level. 	Through job-sheet.	

	The opportunities for making significant improvements to the activity's governance, risk management and control processes.		
2201.A1	When planning an engagement for parties outside the organisation, internal auditors must establish a written understanding with them about objectives, scope, respective responsibilities and other expectations, including restrictions on distribution of the results of the engagement and access to engagement records.	Service Level Agreement with Six Town Housing.	
2201.C1	Internal auditors must establish an understanding with consulting engagement clients about objectives, scope, respective responsibilities and other client expectations. For significant engagements, this understanding must be documented.	SLA and STH Audit Committee.	
2210	<u>Engagement Objectives</u> Objectives must be established for each engagement.	Job-sheet prepared.	
2210.A1	Internal auditors must conduct a preliminary assessment of the risks relevant to the activity under review. Engagement objectives must reflect the results of the assessment.	Initial scoping meeting with client.	
2210.A2	Internal auditors must consider the probability of significant errors, fraud, non-compliance and other exposures when developing the engagement objectives.	Job-sheet scrutinised by Audit Manager prior to audit taking place.	

2210.A3	Adequate criteria are needed to evaluate governance, risk management and controls. Internal auditors must ascertain the extent to which management and/or the Audit Committee has established adequate criteria to determine whether objectives and goals have been accomplished. If adequate, internal auditors must use such criteria in their evaluation. If inadequate, internal auditors must work with management and / or the Audit Committee to develop appropriate evaluation criteria.	Job-sheet.	
2210.C1	Consulting engagement objectives must address governance, risk management and control processes to the extent agreed upon with the client.	Not Applicable.	
2210.C2	Consulting engagement objectives must be consistent with the organisation's values, strategies and objectives.	Not applicable.	
2220	<u>Engagement Scope</u> The established scope must be sufficient to satisfy the objectives of the engagement.	Checked by Audit Manager.	
2220.A1	The scope of the engagement must include consideration of relevant systems, records, personnel and physical properties, including those under control of third parties.	Checked by Audit Manager.	
2220.A2	If significant consulting opportunities arise during an assurance engagement, a specific written understanding as to the objectives,	Not Applicable.	

	scope, respective responsibilities and other expectations should be reached and the results of the consulting engagement communicated in accordance with consulting standards.		
2220.C1	In performing consulting engagements, internal auditors must ensure that the scope of the engagement is sufficient to address the agreed-upon objectives. If internal auditors develop reservations about the scope during the engagement, these reservations must be discussed with the client to determine whether to continue with the engagement.	Not applicable.	
2220.C2	During consulting engagements, internal auditors must address controls consistent with the engagement's objectives and be alert to significant control issues.	Not applicable.	
2230	<u>Engagement Resource Allocation</u> Internal auditors must determine appropriate and sufficient resources to achieve engagement objectives based on an evaluation of the nature and complexity of each engagement, time constraints and available resources.	Audit Manager and Head of Internal Audit.	
2240	<u>Engagement work programme</u> Internal auditors must develop and document work programmes that achieve the engagement objectives.	Work programmes established and updated following each audit.	
2240.A1	Work programmes must include the procedures for identifying, analysing, evaluating and	Audit Manager.	

	documenting information during the engagement. The work programme must be approved prior to its implementation and any adjustments approved promptly.		
2240.C1	Work programmes for consulting engagements may vary in form and content depending upon the nature of the engagement.	Not Applicable.	
2300	<u>Performing the Engagement</u> Internal auditors must identify, analyse, evaluate and document sufficient information to achieve the engagement's objectives.	Checked by Audit Manager.	
2310	<u>Identifying Information</u> Internal auditors must identify sufficient, reliable, relevant and useful information to achieve the engagement's objectives.	Overseen by Audit Manager.	
2320	<u>Analysis and evaluation</u> Internal auditors must base conclusions and engagement results on appropriate analyses and evaluations.	Audit Manual.	
2330	<u>Documenting Information</u> Internal auditors must document relevant information to support the conclusions and engagement results.	Audit files quality checked by Audit Manager.	
2330.A1	The Chief Internal Auditor must control access to engagement records. The chief internal auditor must obtain the approval of senior management	Files are retained electronically and only made available at the discretion of the Head of Internal	

	and/or legal counsel prior to releasing such records to external parties as appropriate.	Audit following consultation with s151 Officer and Monitoring Officer.	
2330.A2	The Chief Internal Auditor must develop retention requirements for engagement records, regardless of the medium in which each record is stored. These retention requirements must be consistent with the organisation's guidelines and any pertinent regulatory or other requirements.	Retention Policy reviewed regularly.	
2330.C1	The Chief Internal Auditor must develop policies governing the custody and retention of consulting engagement records, as well as their release to internal and external parties. These policies must be consistent with the organisation's guidelines and any pertinent regulatory or other requirements.	Not Applicable.	
2340	<u>Engagement supervision</u> Engagements must be properly supervised to ensure objectives are achieved, quality is assured and staff are developed.	Key responsibility of the Audit Manager.	
2400	<u>Communicating results</u> Internal auditors must communicate the results of engagements.	Audit reports are produced for every audit assignment.	
2410	<u>Criteria for communicating</u> Communications must include the engagement's objectives and scope as well as applicable conclusions, recommendations and action plans.	Our reports comply with these requirements.	

2410.A1	Final communication of engagement results must, where appropriate, contain internal auditors' opinion and/or conclusions. When issued, an opinion or conclusion must take account of the expectations of senior management, the Audit Committee and other stakeholders and must be supported by sufficient, reliable, relevant and useful information.	Our reports comply with these requirements.	
2410.A2	Internal auditors are encouraged to acknowledge satisfactory performance in engagement communications.	Internal Auditors give credit where it is due.	
2410.A3	When releasing engagement results to parties outside the organisation, the communication must include limitations on distribution and use of the results.	Reports will not be available to outside agencies unless the Head of Internal Audit has given approval.	
2410.C1	Communication of the progress and results of consulting engagements will vary in form and content depending on the nature of the engagement and the needs of the client.	Not Applicable.	
2420	<u>Quality of Communications</u> Communications must be accurate, objective, clear, concise, constructive, complete and timely.	All reports are progress chased and quality checked by the Audit Manager. Performance is overseen by the s151 Officer and the Audit Committee.	

2421	<p><u>Errors and Omissions</u></p> <p>If a final communication contains a significant error or omission, the chief internal auditor must communicate corrected information to all parties who received the original communication.</p>	Draft reports are produced to iron out any errors or omissions prior to a final report being published.	
2430	<p>Use of 'conducted in accordance with the International Standards for the Professional Practice of Internal Auditing'.</p> <p>Internal auditors may report that their engagements are '<i>Conducted in conformance with the International Standards for the Professional Practice of Internal Auditing</i>', only if the results of the quality assurance and improvement programme support the statement.</p>	Not undertaken as yet but will look into this.	
2431	<p>Engagement disclosure of non-conformance.</p> <p>When non-conformance with the Definition of Internal Auditing, the Code of Ethics and the Standards impacts a specific engagement, communication of the results must disclose the;</p> <ul style="list-style-type: none"> • Principle or rule of conduct of the Code of Ethics or Standard with which full conformance was not achieved. • Reason for non-conformance. • Impact of non-conformance on the engagement and the communicated engagement results. 	This will be fully complied with if non-conformance is found.	

2440	<p><u>Disseminating results</u></p> <p>The Chief Internal Auditor must communicate results to the appropriate parties.</p> <p>Interpretation: the Chief Internal Auditor is responsible for reviewing and approving the final engagement communication and deciding to whom and how it will be disseminated. When the chief internal auditor delegates these duties, he or she retains overall responsibility.</p>	We have a distribution list (approved by Audit Committee) of those who should receive copies of audit reports.	
2440.A1	The Chief Internal Auditor is responsible for disseminating the final results to parties who can ensure the results are given due consideration.	We have a distribution list (approved by Audit Committee) of those who should receive copies of audit reports.	
2440.A2	<p>If not otherwise mandated by legal, statutory, or regulatory requirements, prior to releasing results to parties outside the organisation, the Chief Internal Auditor must;</p> <ul style="list-style-type: none"> • Assess the potential risk to the organisation. • Consult with senior management and / or legal counsel as appropriate. • Control dissemination by restricting the use of the results. 	Decisions on providing copies of audit reports to outside agencies rests with the Head of Internal Audit in consultation with the s151 Officer and Monitoring Officer.	
2440.C1	The Chief Internal Auditor is responsible for communicating the results of consulting engagements to clients.	Not Applicable.	
2440.C2	During consultation engagements, governance, risk management and control issues may be	Not applicable.	

	<p>identified. Whenever these issues are significant to the organisation, they must be communicated to senior management and the Audit Committee.</p>		
<p>2450</p>	<p>Overall opinions</p> <p>Where an overall opinion is issued, it must take into account the expectations of senior management, the Audit Committee and other stakeholders and must be supported by sufficient, reliable, relevant and useful information.</p> <p>Interpretation:</p> <p>The communication will identify:</p> <ul style="list-style-type: none"> • The scope including the time period to which the opinion pertains. • Scope limitations. • Consideration of all related projects, including the reliance on other assurance providers. • The risk or control framework or other criteria used as a basis for the overall opinion; and • The overall opinion, judgement or conclusion reached. <p>The reasons for an unfavourable opinion must be stated.</p> <p><u>Public sector requirement</u></p> <p>The Chief Internal Auditor must deliver an annual internal audit opinion and report that can be used by the organisation to inform its</p>	<p>Annual Report.</p>	

	<p>governance statement.</p> <p>The annual internal audit opinion must conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.</p> <p>The annual report must incorporate:</p> <ul style="list-style-type: none"> • The opinion. • A summary of the work that supports the opinion. • A statement on conformance with the Public Sector Internal Audit Standards and the results of the quality assurance and improvement programme. 		
2500	<p><u>Monitoring Progress</u></p> <p>The Chief Internal Auditor must establish and maintain a system to monitor the disposition of results communicated to management.</p>	System in place and monitored by the Audit Committee.	
2500.A1	The Chief Internal Auditor must establish a follow-up process to monitor and ensure that management actions have been effectively implemented or that senior management has accepted the risk of not taking action.	Follow-up procedures in place and reported to Audit Committee.	
2500.C1	The internal audit activity must monitor the disposition of results of consulting engagements to the extent agreed with the client.	Not Applicable.	
2600	<p>Communicating the acceptance of risks.</p> <p>When the Chief Internal Auditor concludes that management has accepted a level of risk that</p>	Will be discussed with the s151 Officer.	

	<p>may be unacceptable to the organisation, the chief internal auditor must discuss the matter with senior management. If the chief internal auditor determines that the matter has not been resolved, the Chief Internal Auditor must communicate the matter to the Audit Committee.</p> <p><u>Interpretation</u></p> <p>The identification of risk accepted by management may be observed through an assurance or consulting engagement, monitoring progress on actions taken by management as a result of prior engagements, or other means. It is not the responsibility of the Chief Internal Auditor to resolve the risk.</p>		
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