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**REPORT TO: MORAY INTEGRATION JOINT BOARD AUDIT, PERFORMANCE AND RISK COMMITTEE ON 25 AUGUST 2022**

**SUBJECT: INTERNAL AUDIT SECTION– COMPLETED PROJECTS REPORT**

**BY: CHIEF INTERNAL AUDITOR**

**1. REASON FOR REPORT**

- 1.1 To provide an update on audit work completed since the last meeting of the Committee.

**2. RECOMMENDATION**

- 2.1 **The Committee is asked to consider and note the audit update.**

**3. BACKGROUND**

- 3.1 Public Sector Internal Audit Standards (PSIAS) require the Chief Internal Auditor to prepare and present reports to the committee on internal audit's activity relative to the audit plan and any other relevant matters.
- 3.2 In line with the approved internal audit plan, the reviews detailed in Section 4 of the report are completed.

**4. KEY MATTERS RELEVANT TO RECOMMENDATION**

**Procurement and Creditor Payments**

- 4.1 The annual audit plan for 2022/23 provides for a review of payments made by the Authority to suppliers of goods and services. This audit review related to testing a sample of transactions generated under the direction of the Moray Integration Joint Board. A check was also made for duplicate payments by extracting listings where more than one invoice from a single supplier has been paid for the same amount. The purpose of the audit was to confirm that effective controls are operating to ensure all payments are appropriately authorised, accurate and paid in accordance with financial regulations and agreed terms and conditions. The executive summary and recommendations for this project are given on **Appendix 1**.

## **Follow Up Reviews**

- 4.2 Internal Audit reports are regularly presented to members detailing not only findings but also the responses by management to the recommendations with agreed dates of implementation. Internal Audit undertake follow-up reviews to evidence the effective implementation of these recommendations. I am now intending to report these follow-up reports to the Audit Performance and Risk Committee. The Status / Explanation column within the report records the Auditor's review in verifying the implementation of the recommendations. Please see detailed the following completed follow-up review:

## **Petty Cash**

- 4.3 An audit was undertaken of the systems and procedures for administering petty cash funds. Petty cash is an amount of money held by establishments or services in cash to usually meet minor items of expenditure. Examples include postage, stationery, sundry items, etc. The Follow Up Report to review the implementation of the agreed recommendations is attached on **Appendix 2**.

## **5. SUMMARY OF IMPLICATIONS**

### **(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP)) and Moray Integration Joint Board Strategic Plan "Moray Partners in Care 2019 – 2029"**

Internal audit work supports good governance and assists in securing appropriate systems of internal control.

### **(b) Policy and Legal**

The internal audit service is provided in terms of paragraph 7:1 of the Local Authority Accounts (Scotland) Regulations 2014, and there is a requirement to provide a service in accordance with published Public Sector Internal Audit Standards.

### **(c) Financial Implications**

No implications directly arising from this report.

### **(d) Risk Implications**

Audit reports highlight risk implications and contain recommendations for management to address as a means of mitigating.

### **(e) Staffing Implications**

No implications directly arising from this report

### **(f) Property**

No implications.

### **(g) Equalities/ Socio Economic Impacts**

No implications.

### **(h) Climate Change and Biodiversity Impacts**

None directly arising from this report.

### **(i) Directions**

There are no directions arising as a result of this report

**(j) Consultations**

There have been no direct consultations during the preparation of this report.

**6. CONCLUSION**

**6.1 This report provides Committee with a summary of findings arising from audit project completed during the review period.**

Author of Report:	Dafydd Lewis, Chief Internal Auditor
Background Papers:	Internal Audit Files
Ref:	mijb/ap&rc/30062022