

**LEICESTER, LEICESTERSHIRE AND RUTLAND**

**COMBINED FIRE AUTHORITY**

**POLICY COMMITTEE**

**REPORT OF THE TREASURER**

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**Meeting:** 10<sup>th</sup> September 2008 **Agenda Item: 7**

**Subject:** Annual Internal Audit Report 2007/08

**Strategic Aim(s):** Achieving excellence in managing our Service

**Author:** Trevor Peel, Treasurer to the CFA (0116 2872241)

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**Purpose** Discussion / Decision

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**1. Introduction**

1.1 Under the Combined Fire Authority's (CFA's) Financial Regulations the Treasurer is responsible for arranging a continuous internal audit of the CFA's accounts. The audit is designed to cover financial and related systems and the use of assets.

**2. Background**

2.1 Leicestershire County Council's auditors carry out the internal audit of the CFA. They work closely with the external auditor so as to minimise duplication. The primary objective of the internal audit is to provide managers, including the Treasurer, with assurance that the internal control systems of the Authority are operating properly

2.2 Attached as **APPENDIX A** is the report of the County Councils Head of Internal Audit on work carried out in 2007/2008.

2.3 It should be stressed that responsibility for the development and correct operation of internal controls rests with Service managers. The internal auditor's task is to carry out an independent review, highlight weaknesses and make recommendations to improve controls where appropriate. The CFA Treasurer reports on Internal Audit work and proposed actions to the Policy Committee on completion of the final audit report.

2.4 Attached as **APPENDICES B,C,D and E** are copies of the finalised and draft audit reports referred to in the Internal Auditors report. The draft audit report is being reviewed but this has been delayed due to the production of the revised Statement of Accounts.

**3. How Strategic Aim(s) Are Supported**

3.1 The provision of internal audit assists both effective and efficient management and good corporate governance.

**4. Corporate Risk / Impact on Service Continuity**

4.1 Internal Audit provides reassurance that effective internal control procedures are in place. Internal Audit reports are used to inform the Treasurer and the Chief Fire and Rescue Officer of the detailed findings of the audit and highlight actions that are required to safeguard the CFA's interests.

**5. Staffing Implications**

5.1 None

**6. Equal Opportunities / Equality Impact Assessment Undertaken**

6.1 None.

**7. Legal Implications**

7.1 None.

**8. Financial Implications/Value for Money Considerations**

8.1 These are contained within the auditor's report.

**9. Recommendation(s)/Proposal(s)**

9.1 Policy Committee is asked to NOTE the annual audit report and the Treasurer's response.

**10. Background Papers/Meetings**

10.1 Annual Internal Audit Report