



**Chester-le-Street**  
District Council

<b>Report to:</b>	<b>Full Council</b>
<b>Date of Meeting:</b>	<b>28<sup>th</sup> June 2007</b>
<b>Report from:</b>	<b>Chief Internal Auditor</b>
<b>Title of Report:</b>	<b>Annual Report of Chief Internal Auditor</b>
<b>Agenda Item Number:</b>	<b>13</b>

---

**1. PURPOSE AND SUMMARY**

- 1.1 The purpose of this report is to submit for information the Annual Report of the Chief Internal Auditor which contains her opinion on the effectiveness of the control environment for the 2006/07 financial year.

**2. CONSULTATION**

- 2.1 The Director of Resources and the Audit Committee were consulted on the draft report.

**3. CORPORATE PLAN AND PRIORITIES**

- 3.1 The Accounts and Audit Regulations 2003 (amended 2006) and subsequent CIPFA Code of Internal Audit Practice (the Code) require Internal Audit to report annually to *'those charged with governance'* on their findings and conclusions and provide an overall opinion on the effectiveness of the internal control environment.

**4. IMPLICATIONS**

- 4.1 Financial Implications and Value for Money Statement

None

- 4.2 Legal

This report is a statutory requirement of the Accounts and Audit Regulations 2003 which require Internal Audit to '*those charged with governance*' on their findings and conclusions and provide an overall opinion on the effectiveness of the internal control environment.

4.3 Personnel

None

4.4 Other Services

None

4.5 Diversity

None

4.6 Risk

Internal Audit is an integral part of the Council's approach to risk management because it contributes to the organisation's overall process for ensuring that an effective control environment is maintained.

4.7 Crime and Disorder

None

4.8 Other Implications

None

**5. BACKGROUND, POSITION STATEMENT AND OPTION APPRAISAL**

5.1 Attached as **Appendix A** is my annual report on the performance of the Internal Audit Section for 2006/07 together with my findings and opinions on all audit assignments completed during the year. The report also includes my overall opinion on the effectiveness of the internal control environment. This Annual Report was reported to Audit Committee on 15<sup>th</sup> June 2007 and its findings and my opinion are supported by them.

**6. RECOMMENDATIONS**

6.1 Council notes and receives the Annual Report of the Chief Internal Auditor

**7. BACKGROUND PAPERS / DOCUMENTS REFERRED TO**

7.1 Accounts and Audit Regulations 2003  
CIPFA Code of Practice for Internal Audit  
Reports on Internal Audit assignments during 2005/06

**AUTHOR NAME: Jacqueline MCCONNELL**  
**DESIGNATION: Chief Internal Auditor**  
**DATE OF REPORT : 26<sup>th</sup> October 2006**  
**VERSION NUMBER: 1.1**

**AUTHORCONTACT: 0191 3872358**  
**Email: JacquelineMcconnell@Chester-le-street.gov.uk**