

# Reviewing the Audit Plan

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## Reviewing the Audit Plan

- Why draw up an audit plan?
- Who is involved?
- How is the plan produced?
- What does the plan cover?
- When is the plan written?
- What is the committees role in relation to the plan?

## Why draw up an audit plan?

- Ensure all main areas of risk are addressed
- Provide assurance to support the AGS
- Provide information for the HoIA opinion on the effectiveness of the control environment
- Ensure limited resources are used to best effect – identify priorities.

## Who is involved?

- HoIA
- S151 Officer
- Senior managers
- Audit Team
- Risk Management Team
- Aligned with external audit plans and other assurance bodies

## How is the audit plan produced?

- Risk based
- Consider financial and non financial risks
- Strategic risk register
- Auditors risk assessment
- Consider PSIAS requirements
- Identified audits balanced against resources available

## What does the plan cover?

- Delivery against the IA strategy in accordance with the Terms of Reference
- Planned and reactive work
- Flexible – respond to changing risks and priorities
- Allowances for non chargeable time

## What does the plan cover?

### Planned work

- High risk areas – significant financial risk or high profile projects/ programmes
- Areas of poor performance, fraud or emerging risks
- Regular audits due to impact on financial statements
- Judgement of HoIA
- Reflection of risk and priority areas

## What does the plan cover?

### **Reactive work**

- Investigations
- Providing advice
- Supporting working groups and specialist projects

### **Non chargeable time**

- Leave
- Training
- Administration
- Team meetings



## When is the plan written?

- Normally cover financial year – not mandatory
- Written prior to beginning of the year for Audit Committee approval
- Needs to be flexible
- Committee needs to be informed of changes and approval sought for any significant adjustments
- Movement away from a strategic plan (e.g. Three years coverage)

## What is the Committee's role?

- Challenge the plan
- Support its delivery
- Ensure
  - risks and priorities of the Council are considered
  - plan is aligned to audit strategy and terms of reference
  - External and internal audit have liaised
  - Auditors have exercised independence and not been unduly influenced by others

## What is the Committee's role?

- Consider how the plan relates to other sources of assurance
- How does the plan support the AGS?
- Will you get the assurances you need from the plan?
- Monitor the activity and outcomes against the plan
- Support the auditors (e.g. if there is a lack of auditee engagement or shortfall in resources)
- To get action as a result of audit work

# Key questions for Audit Committee to ask

- Who did the head of internal audit liaise with in drawing up this plan? Did this include external audit?
- How does this audit plan link to our risk register and our strategic plans?
- What audits have you left off this plan and why? When do you plan to carry out this work?
- How does the audit plan fit with other assurance work? Are there any gaps or is there duplication?



**Questions?**