Internal Audit

North West Region Cross Border Group

May 2015

Summary Report
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Executive Summary

1 Introduction

Internal Audit has recently completed an audit of the North West Region Cross Border Group (NWRCBG).

The purpose of this review was to provide senior management with an assurance about the adequacy and effectiveness of internal control.

The Audit work performed was as follows:
- Establishing the system of controls.
- Evaluating the adequacy of the controls.
- Designing and completing the audit programme to test the effectiveness of the controls.
- Reporting on the adequacy and effectiveness of the controls to achieve system objectives.

2 Objectives

The objectives of the audit are:
- To ensure that all invoices paid on behalf of the NWRCBG have been properly authorised by management, and all appropriate documentation is attached prior to invoices being processed for payment.
- To ensure that all funding received matches the expenditure made by the NWRCBG in relation to the work performed.
- To ensure that appropriate budgets are in place and adequately monitored.
- To ensure that adequate procedures are in place to minimise the risk of poor credit control.
- To ensure that appropriate governance arrangements are in place for the NWRCBG.
3 Scope

The audit encompassed a review of:
- Payments;
- Income;
- Budgets;
- Credit Control;
- Governance.

4 Limitation of Scope

No limitations

5 Summary of Findings

Audit is satisfied that the internal systems and controls are adequate and were operating effectively at the time of the audit review. There are no recommendations made at this time.

6 Overall Conclusion and Opinion

On the basis of the audit work carried out the controls in place over NWRCBG provide substantial assurance that the system objectives will be achieved. Guidance on the classification of audit assurance is provided at Appendix A.
### Appendix A – Classification of Audit Assurance

<table>
<thead>
<tr>
<th>Level of Assurance</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Substantial</strong></td>
<td><em>Evaluation opinion:</em> There is a robust system of risk management, control and Governance, which should ensure that objectives are fully achieved.</td>
</tr>
<tr>
<td><strong>Satisfactory</strong></td>
<td><em>Evaluation opinion:</em> There is some risk that objectives may not be fully achieved. Some improvements are required to enhance the adequacy and / or effectiveness of risk management, control and governance.</td>
</tr>
<tr>
<td><strong>Limited</strong></td>
<td><em>Evaluation opinion:</em> There is considerable risk that the system will fail to meet its objectives. Prompt action is required to improve the adequacy and effectiveness of risk management, control and governance.</td>
</tr>
<tr>
<td><strong>Unacceptable</strong></td>
<td><em>Evaluation opinion:</em> The system has failed or there is a real and substantial risk that the system will fail to meet its objectives. Urgent action is required to improve the adequacy and effectiveness of risk management, control and governance.</td>
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