

**Summary audit objectives, findings and conclusions**

**Audits concluded or in progress at 31<sup>st</sup> January 2014**

**Audits where only the objective had previously been reported (November 2013 Subcommittee), which are now concluded**

<b>Audit title</b>	<b>Audit Objective</b>	<b>Findings</b>	<b>Conclusion/Opinion</b>
Medium Term Financial Strategy	There are robust processes for validating assumptions, monitoring achievements and reporting progress against efficiency projects.	Recommended improvements to the framework for managing and monitoring projects contained within the Continuous Improvement Plan and reporting progress against the Plan to Finance and Audit Subcommittee	Substantial assurance
Business Forecasting	There is a robust framework for forecasting and acting on triggers	Recommended minor improvements to the trail of decisions in budget working papers and an improvement to the budget timetable.	Substantial assurance

**Audits in progress at the end of January 2014**

<b>Audit title</b>	<b>Audit Objective – to ensure that...</b>	<b>Position</b>
Rebates income	Rebates received conform to estimates of supplier business generated <b>note</b> time includes 3 days for closure of 2012-13 work	Underway
Risk Management	The revised policy and framework is operating as intended and lines of defence are understood and complied with.	Almost complete. Draft report being discussed with ESPO Management
Servicing Authority	The servicing authority is achieving its requirements and objectives.	Underway. Scope being finalised with the Director
E-Tendering	The security requirements and audit trail are robust.	Underway with ad-hoc advice provided.
Energy	The requests of customers regarding meter points have been accurately transferred under the new gas portfolio.  Additionally, that energy contracts are adequately governed.	Information required has been mostly received  Will evaluate the adequacy and effectiveness of the information and how easily assurance can be gained by partners.
Attendance management	Procedures adhere to the corporate attendance management policy	Planned to start
General ledger reconciliations	Reconciliations are undertaken to facilitate the accuracy and completeness of the general ledger. Usual coverage of cash & treasury; receivables; payables; payroll and stock	Underway.

Trading performance & distribution of surplus	The trading results provided by ESPO, both for internal use and reported to the Management Committee, are well founded in the general ledger and the distribution of surpluses process is robust.	Underway
ESPO Services	The key principles to providing the individual categories within the ESPO service menu are complied with	Scope agreed with Assistant Director but start deferred at ESPO's request due to an operational priority
Anti-fraud and corruption	There is a robust framework for ensuring ESPO staff and management act with integrity and there are procedures and processes to enable concerns to be raised and investigated.	Not yet scoped
Attendance management	Management applies a robust and consistent approach to attendance management and attendance is reported and monitored by management team	In discussion with management
IT General controls	The range of controls expected by the External Auditor are well designed and consistently applied.	Testing now
Stock management	The stock management system is effective and accurate so as to facilitate decisions, support financial accounting and mitigate risks (excesses, shortages, wastage and theft)	Scope is with ESPO Assistant Director for approval.
Fleet management	Vehicle Operating License requirements are complied with and liability is removed	Testing now
Fleet management	The fleet is managed effectively and efficiently (loading, routing, maintenance etc).	Scope is with ESPO Assistant Director for approval.
Supply chain	ESPO identifies, evaluates and monitors its supply chains to ensure integrity and sustainability	Scope agreed with Assistant Director but start deferred at ESPO's request due to an operational priority

