

ANNUAL REPORT OF AUDIT COMMITTEE: INTERNAL CONTROLS

Report of the Director & Company Secretary

1. SUMMARY

To discharge the Committee's responsibility to report to the Board on the effectiveness of internal control systems during the year to 31 March 2013.

2. RECOMMENDATION

That the Board notes this report, and approves the statement on internal controls assurance within the Report of the Directors on the financial statements for the year to 31 March 2013.

3. MATTER FOR CONSIDERATION

- 3.1 The Board has delegated to the Audit Committee the task of appraising internal control systems and providing an annual report to Board. This takes the form of a recommendation to adopt wording within the published financial statements under the heading 'Internal Controls Assurance'.
- 3.2 At its meeting on 1 July 2013, the Committee considered evidence on internal control systems comprising:
 1. a report from the Chief Executive on behalf of the Senior Management Team
 2. internal auditors' reports on specific areas, and an annual report
 3. the external auditors' draft management letters and presentation, which addressed control issues among other things
 4. the Committee also had the opportunity to meet in private session with the external auditors.
- 3.3 In light of this evidence and enquiries made of officers at the meeting, the Committee recommends the Board approve the statement 'Internal Controls Assurance' contained in the Report of the Directors at the front of the financial statements for 31 March 2013, elsewhere on this agenda.

The areas listed below have no implications directly arising from this report:

- Consultation
- Financial and Business Plan
- Legal and Confidentiality
- Personnel
- Environmental
- Equalities Impact Assessment
- Health & Safety
- Risk
- Policy Review

If Board members or others would like to discuss this report ahead of the meeting please contact the author, or David Enticott / Director & Company Secretary / 01332 888523 / Email david.enticott@derbyhomes.org

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Background Information: None.

Supporting Information: None.