



GLA 27/8.3

**Audit and Risk Committee
Chair's Annual Report
2009-10**

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BOARD PAPER REFERENCE – GLA 27/8.3 - ARC 1125.7 CHAIR'S ANNUAL REPORT 2009-10 TO THE BOARD**The Audit Framework**

The Audit and Risk Committee continues to work on behalf of the GLA Board, under the guidance of the National Audit Office (NAO), and with the advice of our internal auditors.

Financial performance

The ARC continues to receive presentations on the financial performance of the Authority, which it considers in detail on behalf of the Board.

Risks

The ARC has continued to identify and review the business risks arising from the GLA's work and management's proposed actions to reduce these.

The business risk register was reviewed regularly on an exception basis and there is a report in the Annual Report and Accounts. Issues concerning succession planning and the separation of financial duties were considered.

Internal and External Audits

The ARC received reports on both internal and external audits of the work of the Authority during the year.

Internal audit: RSM Tenon was appointed as internal auditor following an open competition. The internal audit strategy was agreed for the next 3 years. In April 2010 the auditors confirmed a substantial level of assurance in key financial controls, licensing income and licensing arrangements.

External audit: The external audit programme for 2009-10 was agreed with NAO and the key audit issues risks discussed. The audit was carried out by Deloitte under the auspices of NAO.

Annual Report and Accounts

The ARC also considers the corporate plan and the format and content of the annual report.

Results:

- The Annual Report and Accounts were presented to the June ARC meeting and various minor amendments were agreed. They were subsequently agreed by the Board and laid in Parliament on schedule in July 2010.
- The 2008-09 Accounts were re-stated under the new International Financial Reporting Standard and submitted to Her Majesty's Treasury, as required.

Fraud Prevention

The responsibility of the ARC on behalf of the GLA for monitoring fraud prevention systems is carried out via a quarterly review of the fraud risk register. The Committee receives regular updates on the movement of risks, and additions and deletions. There are no matters to report.

Conclusion

The Audit and Risk Committee has continued to rigorously test the control systems of the Authority and to review financial performance. All our endeavours have demonstrated that the GLA staff remain open to advice and are working in the best interests of the Authority.

We thank the representatives of the NAO for their wise advice and counsel and especially to Stephen Ferris. The efficient support of Ray Dawson and Jane Riley is also gratefully acknowledged.

Jane Mordue
Chairman
17 November 2010