

Internal Audit strategy and annual plan 2010/13 (continued)

Audit Universe Area	Year 1 to 3 Audit Areas	Internal Audit Risk Assessment				Proposed Audit Coverage		
		Inherent	Control	Materiality	Aggregate	Year 1	Year 2	Year 3
A) PLE Responsibilities	Governance Structure/Walker Review	Medium	Medium	Medium	Low	Audit 2		
B) Strategic and Corporate Planning	Strategic and Corporate Planning	Medium	Medium	Medium	Medium			Audit 11
C) Corporate Governance	Governance Structure/Walker Review	High	Medium	Medium	Medium	Audit 2		
	Fraud Risk Assessment						Audit 6	
D) Regulatory Environment	Investment Guidelines Compliance					Audit 1		
	Impact of Changing Regulation, including UCITS IV and AIFM						Audit 7	
	Compliance – prior Review Follow Up	High	Medium	High	High	Follow Up 1		
	Best Execution							Audit 12
	Marketing in Different Jurisdictions – prior Review Follow Up							Follow Up 8
	Staff Recruitment and Management; Succession Planning							Audit 13
E) Human Resources	Cash Movements (Payroll Payments) – prior Review Follow Up	High	Medium	Medium	Medium	Follow Up 2		
	Reward Process – prior Review Follow Up							Follow Up 9
F) Financial Management and Reporting	Cash Movements (Corporate and Funds Cash) prior Review Follow Up	High	Medium	High	High	Follow Up 3		
	Financial Control and Reporting – prior Review Follow Up							Follow Up 10
G) Fund Accounting	Fund Valuation	High	Medium	High	Medium		Audit 8/ Follow Up 7	