



ANNUAL REPORT FROM THE AUDIT AND RISK MANAGEMENT COMMITTEE

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JOINT NATURE CONSERVATION COMMITTEE.

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Paper by Tracey Quince

1. Introduction

1.1 In March 2005, the Joint Committee formally delegated to the Board of JNCC Support Co. responsibility for setting up an Audit and Risk Management Committee. The scope of the Audit and Risk Management Committee extends to all of JNCC's business, whether delegated to the company or reserved by the Joint Committee, in accordance with the Articles of Association. Accordingly, the Audit and Risk Management Committee reports annually to the Joint Committee as well as to:

- i. *Natural England's Audit Committee.* This Committee, which considered the Annual Assurance Report on 17 June, seeks assurance on JNCC matters because of the role of the Chief Executive of Natural England as lead Accounting Officer for JNCC; and
- ii. *The Board of JNCC Support Co.* The Board, which will meet after the Joint Committee on 22 June, will be invited to consider the Annual Assurance Report, a full report on internal audit, risk management and the Audit and Risk Management Committee's work during 2008/09, and the forward look for 2009/10.

1.2 The Chair of the Audit and Risk Management Committee also has direct access to the Joint Committee for any concerns regarding the company as required.

2. Annual Assurance Report

2.1 As defined in the Government Internal Audit Standards, the role of internal audit is to provide an independent and objective opinion to the JNCC's Managing Director, who has duties analogous to those of an Accounting Officer on risk management, control and governance. The opinion given by internal audit is a key element of the framework of assurance which the Managing Director needs to inform the completion of the annual Statement of Internal Control.

2.2 The internal audit programme, as approved by the JNCC's Audit and Risk Management Committee in March 2008, has been completed in full. The annual report from the Audit and Risk Management Committee is attached at Annex A.

- 2.3 Based on the results of the audit work carried out for the year ending 31 March 2009, Deloitte has concluded that **the JNCC has an adequate and effective system of internal controls which provides reasonable assurance regarding the effective and efficient achievement of the organisation's objectives.** This assessment should be seen as an excellent achievement for the JNCC Support Co. in its fourth year of operation.