

## ANNEX 3

### SUMMARY OF BREACHES OF FINANCIAL REGULATIONS IDENTIFIED DURING INTERNAL AUDIT WORK COMPLETED IN THE PERIOD

Description of Breach	Instances
Failure to initiate prompt recovery action	2
Inadequate separation of duties	1
Failure to seek a waiver when 3 quotes/tenders not obtained	3
Failure to correctly account for VAT on income	1
Failure to ensure payments made are correct	1
Significant expenditure without a contract in place	15*

\* A detailed piece of contract audit work was undertaken during 2011/12 which identified a number of instances of expenditure without a contract in place. See table below and annex 1 for more details.

Contract Audit Work – compliance with financial regulations  
2011/12

Issue identified	Number of Contracts	Value £'000
Expired contracts	11	4,604
No contract had ever been put in place	4	642