



# AUDIT COMMITTEE GOVERNANCE FORUM

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**BDO**

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# ROLE OF THE AUDIT COMMITTEE

## Financial reporting

01

Appointment and line management for Internal Audit

02

Independent advice to the Accounting Officer

## Internal control

03

Understands the objectives of the organisation and considers the capability of delivering

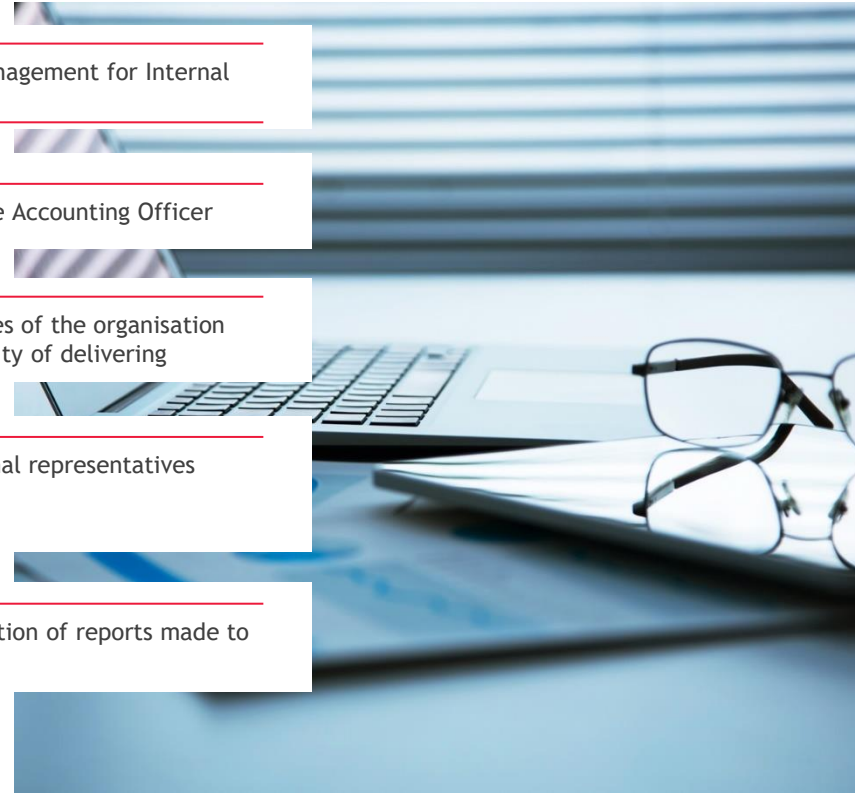
04

Mix of internal and external representatives

## Risk management

05

Objective in its consideration of reports made to it



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## KEY ATTRIBUTES OF THE AUDIT COMMITTEE

- Deep understanding
- Independence
- Courage
- Diligence
- Reflective and thoughtful
- Curiosity
- Technical competence
- Challenge
- Improvement agenda
- Less about fault



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## KEY TASKS OF THE AUDIT COMMITTEE - INTERNAL AUDIT

Selecting

Planning

Analysing the IA reports

Reviewing IA work

Follow-up of audit  
recommendations



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## ROLE OF AUDIT COMMITTEE CHAIR

Plan meetings

Guide them

Oversee member briefings

Effectiveness review

Report to Board / Accountable Person

Frequently Chair is person designated  
for Protective Disclosure



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## INFRASTRUCTURE OF THE AUDIT COMMITTEE

- Audit charter & Terms of Reference
- Maybe Quality Assurance Reports?
- Internal Audit Plan
- Internal Audit Reports
- Reviewing Management Letter
- Reviewing Letter of Representation
- Meetings with auditors (including private)
- Working closely with Risk Committee or as one single committee in some instances



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## INFRASTRUCTURE OF THE AUDIT COMMITTEE

- Public sector AC responsibility is greater than private sector - public funds
- PAC & C&AG and maybe more!
- Procurement is a big focus of the public sector which doesn't apply to the same extent in the private sector
- Statement on System of Internal Control - public accountability statement & disclosure statement
- Chairman's Comprehensive Report to the Minister
- Non Exec Directors need to have a pyramid of assurance underpinning the SIC



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## AUDIT COMMITTEE AND BOARD MEMBERSHIP OF STATE BODIES

- Onerous
- Thankfully still of interest to people of substance
- Occasionally low interest for some positions
- If you risk nothing, then you risk everything
- Proper process and oversight is key
- In hindsight everything is much clearer
- Every day we apply judgement to many decisions
- We all learn and develop from experience
- We wouldn't do it unless we enjoyed it







FOR MORE INFORMATION:

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