

**AUDIT COMMITTEE POLICY**

**ORIGIN/AUTHORITY**

*Local Government Finance Standards 1994 S 6*

*Local Government (Community Government Areas) Finance Standard 2004. (ss. 5,8(1) & (2))*

**OBJECTIVE**

To review, monitor and prepare timely responses to audit reports and ensure audit terms of engagement are met.

**POLICY STATEMENT**

1. Audit Committee

Council must decide whether an audit committee is to be established. This policy is relevant for Councils that decide to establish an audit committee. (*S 5 LG CGA Finance Standard 2004*).

For the purposes of establishing an Audit Committee, the Council hereby resolves to endorse that an Audit Committee be established for the 06/07 financial year, and the composition will be as identified as per Section 3 of this policy.

2. Role of Audit Committee

The audit committee will be required to:

- Meet at least twice each financial year
- Liaise with internal and external auditors
- Undertake a review of all internal audit reports and findings received by Council
- Review audit risk assessments and projects
- Review letters and reports provided by an external auditor
- Ensure audit has been undertaken according to terms of engagement

3. Composition of Audit Committee

The audit committee will comprise of the Council Chief Executive Officer, Deputy Chief Executive Officer, two Councilors, and the Council Finance Manager.

4. Reporting

At the conclusion of each audit, the audit committee will prepare a written report to the Council on the audit exit interview. Within one month following receipt of a written report from the auditor the committee must prepare a written report to Council outlining audit findings and what action will be taken by committee to address issues identified.

5. Official Misconduct

As part of its review the audit committee will report in writing to the police officer in charge of the nearest police station and the Auditor-General any cases of actual or suspected loss, theft, misappropriation or misuse of Council monies or property, identified by internal or external audits.

**ORIGINALLY ADOPTED: 4<sup>th</sup> SEPTEMBER 2006**  
**CURRENT ADOPTION: 30<sup>th</sup> JUNE 2009**  
**DUE FOR REVISION: 30 June 2014**