

Audit Committee Checklist

Question	Yes	No	N/A	Comments/action
1. Role and remit				
Does the audit committee have written terms of reference?	Y			Detailed in the Constitution
Do the terms of reference cover the core functions of an audit committee (as identified in CIPFA guidance)?	Y			As above
Are the terms of reference approved by the council and reviewed periodically?	Y			As part of the Constitution refresh or if otherwise required.
Has the audit committee been provided with sufficient membership, authority and resources to perform its role effectively and independently?	Y			5 members
Can the audit committee access other committees and full council as necessary?	Y			Part of the standard reporting processes
Does the authority's Annual Governance Statement include a description of the audit committee's establishment and activities?	Y			Included in AGS
Does the audit committee periodically assess its own effectiveness?	Y			This questionnaire is an example
Does the audit committee make a formal annual report on its work and performance during the year to full council?	Y			Reports to Council as necessary
2. Membership, induction and training				
Has the membership of the audit committee been formally agreed and a quorum set?	Y			
Is the chair independent of the executive function?	Y			
Has the audit committee chair either previous knowledge of, or received appropriate training on, financial and risk management, accounting concepts and standards, and the regulatory regime?	Y			Training provided at regular intervals e.g. risk management, internal audit, IFRS
Are new audit committee members provided with an appropriate induction?	Y			Standard induction plus specific audit committee session
Have all members' skills and experiences been assessed and training given for identified gaps?	Partial			A skills audit is being conducted by democratic services at the moment.
Has each member declared his or her business interests?	Y			
Are members sufficiently independent of the other key committees of the council?	Y			

3. Meetings				
Does the audit committee meet regularly?	Y			
Do the terms of reference set out the frequency of meetings?		N		However, the committees are scheduled to meet financial and governance statement requirements
Does the audit committee calendar meet the authority's business needs, governance needs and the financial calendar?	Y			Aligned to final accounts
Are members attending meetings on a regular basis and if not, is appropriate action taken?	Partial			There are no specific actions taken by Officers to address Members that do not regularly attend Audit Committee. However, attendance records are published on the Council's website.
Are meetings free and open without political influences being displayed?	Y			
Does the authority's S151 officer or deputy attend all meetings?	Y			
Does the audit committee have the benefit of attendance of appropriate officers at its meetings?	Y			Example Amanda Attfield for Payroll audit report update, Bryan Parsons for Corporate Governance, etc
4. Risk Management and Internal Control				
Does the audit committee satisfy itself that the organisation's main risk areas are being reviewed by internal and external audit?	Y			This is linked to the audit planning approval process and the regular attendance by both Internal and External audit.
Does the audit committee consider the findings of the Annual Governance Statement (AGS), including a review of the effectiveness of the system of risk management and internal control?	Y			Risk management and internal control are part of the internal and external audit review work. This is reported to committee and debated.
Does the audit committee have responsibility for review and approval of the AGS and does it consider it separately from the accounts?	Y			Separate agenda item
Does the audit committee consider how meaningful the AGS is?	Y			Training has been provided on the AGS and the significance relating to the Financial Statements. Follow-up of recommendations from the AGS has also been debated by the committee e.g. ICT issues reported by KPMG.
Does the audit committee satisfy itself that the system of internal control, risk management and corporate governance has operated effectively throughout the reporting period?	Y			Linked closely to the annual audit opinion from both internal and external audit
Has the audit committee considered how it integrates with other committees that may have responsibility for risk management?	Y			The Audit Committee reviews the Risk Management policy and considers findings of internal and external audit. Recommendations

				flowing from this review are taken forward.
Does the audit committee ensure that the risk of fraud is being appropriately monitored and managed, and that measures are being put in place to counter fraud and corruption?	Y			Internal and external audit reports and corporate governance group activity updates that all regularly go before the Audit Committee.
Is the audit committee made aware of the role of risk management in the preparation of the internal audit plan?	Y			Through the reporting and debate regarding the annual plan.
Does the audit committee review the authority's strategic risk register at least annually?	Y			Annual update is reported to Audit Committee
Does the audit committee monitor how the authority assesses its risk?	Y			Policy presented and debated by Audit Committee
Do the audit committee's terms of reference include oversight of the risk management process?	Y			Constitution
5. Financial Reporting and Regulatory Matters				
Is the audit committee's role in the consideration and/or approval of the annual accounts clearly defined?	Y			Constitution
Does the audit committee consider specifically: <ul style="list-style-type: none"> • The suitability of accounting policies and treatments • Major judgements made • Large write-offs • Changes in accounting treatment • The reasonableness of accounting estimates • The narrative aspects of reporting? 	Y			Full and detailed presentations are given to the Audit Committee that are subsequently debated.
Is an audit committee meeting scheduled to receive the external auditors report, including a discussion of proposed adjustments to the accounts and other issues arising from the audit?	Y			Regular reporting from External Audit includes final account matters
Does the audit committee review management's letter of representation?	Y			
Does the audit committee annually review the accounting policies of the authority?	Y			Recently approved the Financial Rules for GO – the accounting policies are reviewed annually in line with approval of the final accounts
Does the audit committee gain an understanding of management's procedures for preparing the authority's annual accounts?	Y			Presentations are given by the finance team – to be monitored for changes due to GO
Does the audit committee have a mechanism to keep it aware of topical legal and regulatory issues, for example by receiving circulars and through training?	Y			Updates in training and through reported information e.g. Icelandic Banks matters
6. Internal Audit				
Does the audit committee approve, annually and in detail, the internal audit	Y			Charter and Annual Plan – however three year

strategic and annual plans including consideration of whether the scope of internal audit work addresses the authority's significant risks?				strategy is now delegated to the Audit Partnership Board
Does internal audit have an appropriate reporting line to the audit committee?	Y			Head of Internal Audit has direct access to the committee
Does the audit committee receive periodic reports from the internal audit service including an annual report from the Head of Internal Audit?	Y			Monitoring report is a standing item for each meeting, annual report is presented in line with AGS requirements
Are follow-up audits by internal audit monitored by the audit committee and does the committee consider the adequacy of implementation of recommendations?	Y			Follow-up audit activity is reported
Does the audit committee hold periodic private discussions with the Head of Internal audit?	Y			The option is available to the Audit committee but in the last three years this has not been required.
Is there appropriate cooperation between the internal and external auditors?	Y			Joint working agreement in place
Does the audit committee review the adequacy of internal audit staffing and other resources?	Y			The Audit Committee recently supported the delegation of internal audit to Cotswold DC. This was part of the agreement for an audit partnership that enhanced service resilience and knowledge/skills.
Has the audit committee evaluated whether its internal audit service complies with CIPFA's Code of Practice for Internal Audit in Local Government in the UK?	Y			Reported in September 2011 – full compliance
Are internal audit performance indicators monitored by the audit committee?	Y			Audit Partnership Board representative (Section 151 Officer) is able to report to the Audit Committee the performance of internal audit and the partnership as shown by report issued in September 2011.
Has the audit committee considered the information it wishes to receive from internal audit?	Y			Regular feedback is provided by the AC to the Head of IA e.g. detail in the monitoring report
7. External Audit				
Do the external auditors present and discuss their audit plans and strategy with the audit committee (recognising the statutory duties of external audit)?	Y			Regular scheduled progress updates and approval of annual plan
Does the audit committee hold periodic private discussions with the external auditor?	Y			The option is available to the Audit committee.
Does the audit committee review the external auditor's annual report?	Y			Reported to committee in Sept 2011.
Does the audit committee ensure that officers are monitoring action taken to implement external audit recommendations?	Y			Follow-up of KPMG PIR and ICT reports
Are reports on the work of external audit and other inspection agencies presented	Y			Normal reporting schedules demonstrate the

to the committee, including the Audit Commission's annual audit and inspection letter?				annual audit letter is presented to Audit Committee
Does the audit committee assess the performance of external audit?	Y			Performance is linked to debate on the fees.
Does the audit committee consider and approve the external audit fee?	Y			But limited actions available on the fees
8. Agenda Management				
Does the audit committee have a designated secretary from Committee/ Member Services?	Y			
Are agenda papers circulated in advance of meetings to allow adequate preparation by audit committee members?	Y			Forward plan demonstrates publication dates prior to meetings.
Are outline agendas planned one year ahead to cover issues on a cyclical basis?	Y			Agendas are planned ahead
Are inputs for Any Other Business formally requested from committee members, relevant officers, internal and external audit?	Y			Linked to agenda setting
9. Agenda Management				
Do reports to the audit committee communicate relevant information at the right frequency, time, and in a format that is effective?	Y			
Does the audit committee issue guidelines and/or a proforma concerning the format and content of the papers to be presented?	Y			Done through Officers
10. Agenda Management				
Are minutes prepared and circulated promptly to the appropriate people?	Y			
Is a report on matters arising made and minuted at the audit committees next meeting?	Y			Minutes are reviewed at each AC but there is no specific actions report – actions are included in the minutes.
Do action points indicate who is to perform what and by when?	Y			
11. General Comments				