

DIOCESAN AUDIT COMMITTEE

ILLUSTRATIVE WORKPLAN

(Prepared by the General Synod Financial Advisory Group, March 2008)

1. QUARTER 1 (RISK MANAGEMENT & CONTROLS)

- 1.1 Review the responsibilities and processes for managing risk, including any risk registers that are maintained, and recommend necessary changes, in particular for:
 - ❖ Coverage of risk assessment;
 - ❖ Internal controls and management procedures; and
 - ❖ Updating the outlook for key risks.
- 1.2 Review and approve the external audit plan for the current financial year.
- 1.3 Review and approve any changes in controls or procedures (including for business continuity and disaster recovery), and the internal audit plan (if any) for the current financial year.
- 1.4 Review status of any remedial action/problem areas identified from previous audit activity.
- 1.5 Consider any reports presented by the external and internal auditors.
- 1.6 Consider any matters referred by Bishop-in-Council

2. QUARTER 2 (COMPLIANCE)

- 2.1 Review and approve the Diocese's insurance policies.
- 2.2 Review and evaluate compliance with legislative and other external requirements (for example, OH&S standards), and identify any potential litigation which might require disclosure, as well as internal policies and procedures (including the business continuity and disaster recovery plans), and recommend any changes that are deemed necessary.
- 2.3 Review any changes in accounting policy or disclosure practices which might impact on the annual financial statements, and make appropriate recommendations.
- 2.4 Review the effects that any changes in tax laws and/or other regulations, may have an impact on the financial results, and make appropriate recommendations.

- 2.5 Review progress on any remedial action/problem areas identified from previous audit activity.
- 2.6 Consider any reports presented by the external and internal auditors.
- 2.7 Consider any matters referred by Bishop-in-Council

3. QUARTER 3 (ANNUAL FINANCIAL STATEMENTS)

- 3.1 Review and approve the audited annual financial statements for the previous year prior to submission to Bishop-in-Council and Synod, including any related statements or announcements, either internally within the Diocese or externally.
- 3.2 Consider the report of the external auditors (and of the internal auditors if any) for the financial year-end.
- 3.3 Prepare a report to Bishop-in-Council recommending adoption of the annual financial statements and highlighting any issues that arose in their preparation.
- 3.4 Consider any matters referred by Bishop-in-Council

4. QUARTER 4 (REVIEW & PLANNING)

- 4.1 Review the effectiveness of the Diocese's monitoring of its activities and outcomes, including progress in addressing any remedial action/problem areas identified from previous audit activity
- 4.2 Hear any audit concerns on management procedures, or accounting and other practices, including any limitations placed on the scope of audits.
- 4.3 Review performance of the external auditors in the prior financial year.
- 4.4 Recommend to Bishop-in-Council the appointment of external auditors for the forthcoming year.
- 4.5 Evaluate the Audit Committee's own performance against its objectives and report to the board accordingly.
- 4.6 Review the Audit Committee's charter, and recommend any changes that are deemed necessary.
- 4.7 Consider any matters referred by Bishop-in-Council.