

## Audit Committee

### Head of Power

*Local Government Act 2009*

### Related Legislation

Local Government Regulation 2012

### Objective

This Policy and the supporting Audit Committee Terms of Reference outline the purpose, operation and reporting obligations of Council's Audit Committee.

### Definitions

**Act** means the *Local Government Act 2009*.

**Audit Committee** means an advisory Committee of Council consisting of Councillors and Independent External Members charged with monitoring assurance, oversight and advice to Council and the CEO in relation to the operations of Council and its related entities.

**CEO** means the Chief Executive Officer.

**Council** means Moreton Bay Regional Council.

**Independent External Member/s** means a professional, experienced individual appointed to the Audit Committee by Council, who is independent of Council and Councillors.

### Application

This Policy applies to all Councillors, Council, the Audit Committee, CEO and Directors, internal and external auditors and all relevant Council staff.

### Policy Statement

Council recognises the value of an effective independent Audit Committee to assist Council in discharging its legal responsibilities and meeting its business objectives through efficient, effective and economical governance frameworks and processes. This involves oversight, appraisal, monitoring and reporting on internal audit processes and risk management.

Council's Audit Committee is to operate in accordance with the requirements of the Act, Local Government Regulation 2012, and Audit Committee Terms of Reference.

The role of the Audit Committee is to assist Council and the CEO to discharge their responsibilities imposed under the Act and other relevant legislation, which includes the requirement to monitor and review the following areas:

- Evaluating whether processes are in place to address key roles and responsibilities in relation to **risk management**.
- Evaluating the adequacy of the control environment to provide reasonable assurance that the systems of **internal control** are of high standard and functioning as intended.

- Performing an independent review of the financial statements to ensure the integrity and transparency of the **financial reporting** process.
- Evaluating the quality of the **Internal Audit** function, particularly in the areas of planning, monitoring and reporting.
- Engaging with **External Audit** and assessing the adequacy of management response to issues identified by audit.
- Reviewing the effectiveness of how Council monitors compliance with relevant **regulatory and legislative** requirements and promotes a culture committed to lawful and ethical behaviour.

#### Performance Measures

Audit Committee performance review and assessment every two (2) years.

#### Risk Assessment

Low.

### Related Documents

This Policy complements and is to be implemented in conjunction with other Council policies, directives and relevant documents published by other agencies including, but not limited to:

- Audit Committee Terms of Reference
- Internal Audit Charter
- Internal Audit Manual
- Internal Audit Policy 2150-048, and
- Enterprise Risk Management Policy 2150-020.

### Review Triggers

This policy will be reviewed for applicability, effectiveness, and consistency with relevant legislation, Council resolutions, and other Council documents. Reviews of this policy will occur as required, or at least once every four years.

### Responsibility

This Policy is to be:

- (1) implemented by the Principal Internal Auditor; and
- (2) reviewed and amended in accordance with the "Review Triggers" by the Chief Executive Officer.

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<b>Audit Committee</b>			
<b>Document Control</b>			
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Version 3	Updated legislation and definitions to reflect new legislation	7.11.2013	A14726789
Version 4	Coordination Committee (17/461) (Adoption Audit Committee Report 8 March 2017 MP17/348)	4.4.2017	A15004930

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