

Terms of Reference – 2016-2019 Triennium

Audit Working Party

Membership

The Audit Working Party shall be comprised of two (2) councillors and one (1) independent member as follows:

Chairperson:	David Sinclair
Members:	Bill Shepherd
	Joce Yeoman
	Geoff Copstick (independent)

Standing orders do not apply.

Quorum

The quorum for meetings of the working party shall be three.

Objectives

The objectives of the working party are to:

- Provide oversight and assistance to the Chief Executive on council's internal and external audit activities, ensuring that accountabilities and responsibilities are fulfilled; and
- Make recommendations to council on audit matters.

Responsibilities

The working party is directly responsible and accountable to the council for the exercise of its responsibilities. The Chairperson, supported by staff, will provide a brief written report of working party activities to each council meeting.

In carrying out its responsibilities, the working party must at all times recognise that primary responsibility for management of the council rests with the Chief Executive.

For reasons of efficiency and/or expediency, should the working party not be able to perform their functions, the council will assume their role and responsibilities.

Role and functions

The council authorises the working party, within the scope of its Terms of Reference, role and responsibilities, to:

1. General

- Subject to operating within approved budget allocation - obtain information it needs from the CEO and/or external party (subject to their legal obligation to protect information);
- Discuss any matters with the external auditor, or other external parties (subject to confidentiality considerations);
- Request the attendance of any employee, subject to the Chief Executive's approval, at meetings of the working party or its working groups;
- In discussion with the CEO and subject to operating within approved budget allocation – obtain external legal or other professional advice, as considered necessary to meet its responsibilities, at the council's expense;
- Co-opt a person as a (non-voting) member of the working party to assist with special projects;

- Recommend to council that additional members be appointed to the working party should it consider wider representation would be of assistance in performing its functions;
- To regularly report progress on its functions to the council; and
- Undertake such other functions as may be delegated by council from time to time.

2. External audit

The working party's responsibilities are to:

- Act as a forum for communication between the Chief Executive, senior management, and internal and external auditors.
- Provide advice to the Chief Executive to negotiate fees with external auditors
- Review Audit Management Letter
- Review Audit Plan
- Review Independent Audit Reports
- Provide input and feedback on the financial statements and the audit coverage proposed by the external auditor, and provide feedback on the audit services provided.
- Review all external plans and reports for planned or completed audits and monitor management's implementation of audit recommendations.
- Oversee the co-ordination of audit programmes conducted by the external auditors and other review functions.
- Provide reports and advice to the council on action taken on significant issues raised in relevant external audit reports and good practice guides.

3. Reporting

The working party's responsibilities are to:

Review and recommend to council the adoption of the Annual Report and Summary Annual Report, focusing particularly on:

- Any changes in accounting policies and practices;
- Major judgemental areas;
- Significant adjustments resulting from audit;
- Compliance with financial reporting and other applicable standards;
- Compliance with statutory requirements; and
- Other reports prepared by management for release to stakeholders, such as any summary financial reports.

1. No Delegated Authority – Power to Act

The working party has no delegated authority or power to act.
