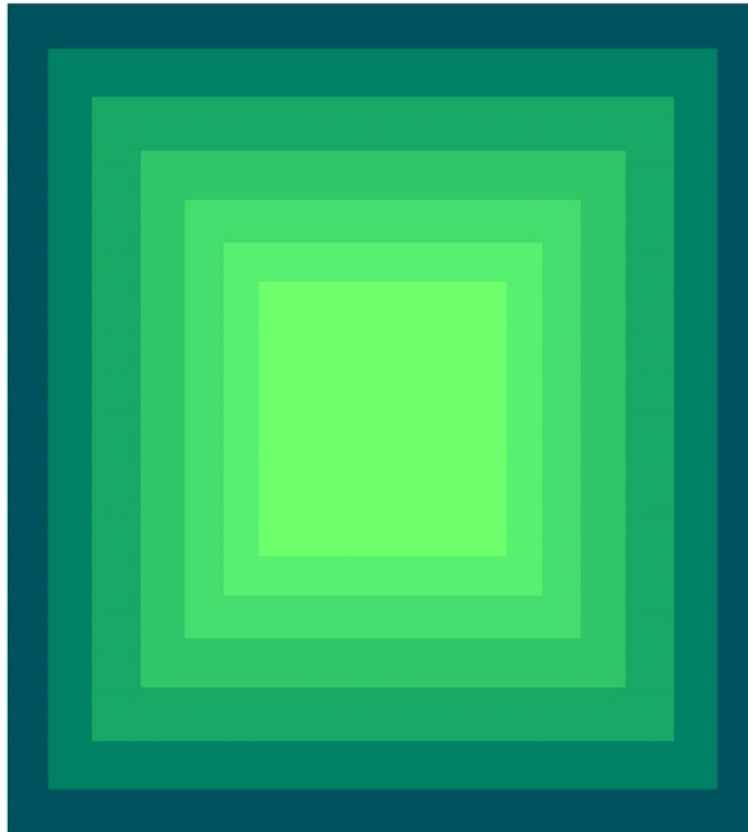




AUDIT OVERSIGHT BOARD
The Independent Audit Regulator



AUDIT COMMITTEE TOOLKIT

GUIDANCE ON THE ROLES AND RESPONSIBILITIES OF AUDIT COMMITTEES

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Illustrative Self-Assessment/ Key Performance Indicators for Audit Committees

Details	Yes/No	Comments
Audit Committee Composition and Proceedings		
A formal audit committee terms of reference is in place which has been approved by the board of directors.		
The audit committee has formally reported on its activities in the annual report and publicly discloses its terms of reference		
The audit committee is made up of at least three members, comprising non-executive directors and at least one independent director, with at least one member being financially literate. The committee is independent of management.		
Audit committee members, as a whole, have appropriate industry knowledge and experience related to financial reporting and audit.		
Audit committee members have had access to an induction and/or training program to discharge their responsibilities.		
The audit committee met regularly throughout the year and at least once every quarter.		
The secretary of the audit committee circulated minutes of meetings in a timely manner.		
Risks, Control, and Compliance		
The audit committee reviewed that a sound system of internal control has been established and effectively implemented at the company. The company has used good practice internal control and risk management frameworks for this purpose.		

Details	Yes/No	Comments
The audit committee reviewed the company's statement on internal control systems prior to endorsement by the board of directors.		
Internal audit has direct access to the chair of the board of directors and the audit committee and is accountable to the audit committee.		
The internal audit charter and work plan was approved by the audit committee.		
The head of internal audit has reported functionally to the audit committee.		
The internal audit function is adequately staffed and has enough resources to discharge its responsibilities.		
The audit committee has reviewed and monitors management's responsiveness to internal audit findings and recommendations.		
The audit committee has met the external auditors and the head of internal audit, without the presence of management at least once during the year.		
The audit committee (where delegated by the board of directors) has conducted a review of key business risks during the year to ensure that management maintains a sound system of risk identification, risk management, and related systemic and internal controls to safeguard assets, resources, reputation, and the interests of the company and shareholders.		
The audit committee has monitored compliance with the company's compliance framework, including internal policies and procedures and the code of conduct, and a whistle blowing policy is in place.		
Financial Reporting and External Audit		
The audit committee keeps abreast of developments in financial reporting standards.		
The audit committee reviewed the annual and interim financial statements of the company prior to their		

Details	Yes/No	Comments
approval by the board of directors, including focusing on the significant judgments and estimates in the preparation thereof and the appropriateness of these.		
The audit committee is satisfied with the adequacy of the disclosures in the financial statements.		
The audit committee has reviewed preliminary announcements of results prior to external communication and publication.		
The audit committee has had regular interactions with the external auditor including on key findings and recommendations and has reviewed management responses on the external audit management letter.		
The audit committee is ensuring effective coordination between the internal and external auditors of the company.		
The audit committee has recommended to the board of directors the appointment of external auditors, their removal, audit fees, and provision of non-audit services.		
The audit committee has engaged with the external auditors to review significant judgments and estimates in the preparation of financial statements, the key findings from the audit, and how these have been addressed.		