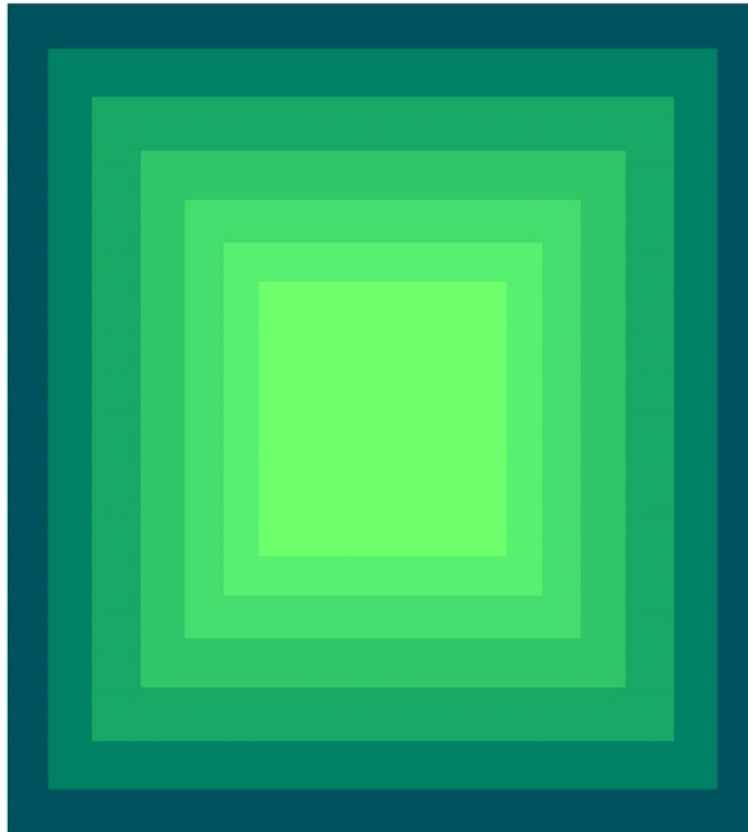




AUDIT OVERSIGHT BOARD
The Independent Audit Regulator



AUDIT COMMITTEE TOOLKIT

GUIDANCE ON THE ROLES AND RESPONSIBILITIES OF AUDIT COMMITTEES

© 2019 International Bank for Reconstruction and Development / The World Bank
1818 H Street NW
Washington DC 20433
Telephone: 202-473-1000
Internet: www.worldbank.org

This work is a product of the staff of The World Bank with external contributions. The findings, interpretations, and conclusions expressed in this work do not necessarily reflect the views of The World Bank, its Board of Executive Directors, or the governments they represent.

The World Bank does not guarantee the accuracy of the data included in this work. The boundaries, colors, denominations, and other information shown on any map in this work do not imply any judgment on the part of The World Bank concerning the legal status of any territory or the endorsement or acceptance of such boundaries.

Rights and Permissions

The material in this work is subject to copyright. Because The World Bank encourages dissemination of its knowledge, this work may be reproduced, in whole or in part, for noncommercial purposes as long as full attribution to this work is given.

Any queries on rights and licenses, including subsidiary rights, should be addressed to World Bank Publications, The World Bank Group, 1818 H Street NW, Washington, DC 20433, USA; fax: 202-522-2625; e-mail: pubrights@worldbank.org.

Key audit committee questions related to selection of the external auditor

The following are examples of questions audit committees may wish to consider while selecting an external auditor:

- Is the auditor truly independent of the company's management (i.e. not a close relative – spouse, parents, dependents and non-dependent children – of the chief executive officer, the chief financial officer, the head of internal audit, the company secretary, or a director of the company)?
- Does the auditor possess a satisfactory QCR rating by the Institute of Chartered Accountants of Pakistan and is registered with AOB?
- Does the audit firm and all of its partners comply with IFAC Guidelines on Code of Ethics as adopted by the Institute of Chartered Accountants of Pakistan?
- Is the auditor acceptable to the concerned regulator (if applicable)?
- Does the auditor have the capacity (quality of staff, resources, branch network, etc.) to perform the audit?
- Does the auditor possess relevant industry experience?