

Template 17: List of suggested Audit Committee Induction Materials

The following information that should be provided to new audit committee members.

- (1.) Entity
 1. Entity strategic plan
 2. Key areas of risk and how they are managed
 3. Financial and operational controls and systems
 4. Budget and execution reports
 5. Key accounting policies and reasons for their use
 6. Litigation and contingencies facing the entity
 7. Financial statements and budget execution reports
 8. Code of conduct

- (2.) Management
 1. Background and qualifications of senior executives and financial management
 2. An organization chart of reporting lines and responsibilities
 3. Audit committee role
 4. Audit committee
 5. Audit committee charter
 6. Nature and timing of reports prepared by management for the committee
 7. Staff available to support the committee
 8. External advisers available to support the committee

- (3.) Internal audit
 1. Internal audit charter
 2. The number of internal auditors and their qualifications and experience
 3. The committee's relationship with the internal audit department
 4. The types of reports the audit committee receives from the internal audit department
 5. Annual internal audit plan
 6. Quarterly internal audit reports
 7. Quality assurance report of the internal audit function
 8. Regulations on internal audit

- (4.) External auditors
 1. External auditor's management letter
 2. A copy of the current year's external engagement letter
 3. The scope of the external audit, including the current year audit plan
 4. The committee's relationship with the external auditor
 5. The types and timing of reports issued by the external auditor
 6. Company policy on engaging the auditor to provide audit and non-audit services.