

ECCT Audit and Risk Committee Work-plan

Audit Work-plan

Purpose

To ensure that the Audit and Risk Committee have a work-plan that will ensure duties as outlined in the Terms of Reference are delivered.

Context

The terms of reference sets out what duties the Audit and Risk Committee have been tasked with. This paper serves to review those duties, outline how the duties are to be performed and then form the basis of an annual work-plan. The work-plan forms the basis of Audit and Risk meeting agendas, spreading the duties appropriately over the year.

ECCT Audit and Risk Committee Work-plan

#	Duty per Terms of Reference	How is this delivered	When is it delivered	Work-plan entry
1	Oversight of the Annual Financial Reporting and Audit Process	Discussions are held, a timeline is prepared by the GM which is reviewed and agreed to by the Committee. Progress against this plan is monitored at meetings. Drafts are reviewed when prepared and final review prior to presentation to the Board	The annual reporting and audit process is carried out from late January each year to the end of May when the financial accounts are approved by the full Trust.	January - discuss timeline for annual reporting process. April – review draft annual accounts. May – review final annual accounts for recommendation
2	Ensure the financial statements are compliant with generally accepted accounting practices	Compliance is ensured by the GM and accounting team monitoring changes in reporting standards. The audit report confirms they are compliant. Committee members who are CA's advise known changes, Community Trust's discuss and use of outside expert is used and can be funded jointly by Trusts	Ongoing but particularly relevant in the year end reporting process outlined in point 1	January – discuss with auditor any changes that they are aware of, discuss any areas of concern February – agenda item to discuss inclusion April – review draft accounts and confirm with GM compliance May – auditor will confirm compliance
3	Oversight of the annual production of the financial statements and related reports	Review and agree timeline with GM and auditor. Provide input to GM. Monitor progress over timeline	January - agree timeline Feb – May – monitor progress	January – agree timeline Feb – May – agenda item for progress report
4	Liaising with the external auditors	Meetings are held pre and post audit outlined below. The Chair will work with the GM and auditor as required at the time of financial statement during the audit process		January – planning meeting May – post audit
5	Reviewing the annual audit plan with the external auditors	A meeting is held with the auditor before year end and before the audit commences	At the January meeting	January – review audit plan

ECCT Audit and Risk Committee Work-plan

#	Duty per Terms of Reference	How is this delivered	When is it delivered
6	Reviewing audit findings in relation to the annual audit and matters relating to the financial statements, and monitoring the status of corrective actions required	A meeting is held with the auditor at the completion of the audit. The auditor provides a letter of audit findings to be discussed and then audit findings are carried forward to each meeting to monitor as needed	Generally at the May meeting but will be at the completion of the audit and prior to the start of the financial statements. Audit findings and corrective actions are checked at a bi-monthly meeting
7	Reviewing compliance to relevant statutory reporting requirements	Part of timeline agreement for preparation of accounts and audit	Confirm with GM that requirements met
8	Recommending the appointment of the external auditors	Appointment of new auditors at the end of each contract is per the policy (Being developed)	At end of each contract period decision not to continue within a contract period
9	Determining the audit fees	Fees are included in the contract but reported again by the auditor at the pre-planning meeting, discussed by the committee then a resolution to recommend to the full Board	January meeting
10	Assessing the performance of the auditor	The auditor assessment is undertaken using the evaluation tool, self-review, review by A & R with GM and then meeting with auditor. Continuation of the auditor is recommended to the Board annually	Review is held post audit recommendation made at the November meeting for continuation if contract period.
11	Ensuring that the Trust has the appropriate policies in place and these policies are reviewed and monitored on a regular basis and reported to the Trust Board	There are a number of Board policies that are on the Board agenda for review and monitoring. (SIPO and Donations). Once the policy project is completed the A & R Committee will have a timetable for the review of each one which is then	Policy project started in 2016, will take some time to develop and approve by Trust. Following this the policy will be part of each meeting

ECCT Audit and Risk Committee Work-plan

#	Duty per Terms of Reference	How is this delivered	When is it delivered
		recommended for amendment or otherwise to the Trust. New policies would either go directly to the Trust or be first reviewed by the Committee.	papers and one or more may be reviewed
12	Receiving and reviewing the monthly financial reports, including investment performance of the Trust in months where a full Trust meeting is not held	These are provided bi-monthly by the GM	
13	Monitoring compliance with the Trust Deed and the Statutory Financial Reporting requirements as set in clause 15 of the Trust Deed	GM will provide a certificate of compliance annually	After the requirements have been met in August each year
14	Evaluation and monitoring of the Trust's risk management policies, practices and procedures.	Evaluation and monitoring is carried out by the development of the Risk Matrix (developed by GM and A & R and approved by Board), regular update and review of status by GM, reporting by GM to the A & R Committee and Board,	The initial redevelopment of the matrix, scoring system and reporting/monitoring system and annual review will be brought to the OAG meeting for recommendation to the November meeting. GM will report bi-monthly on the Risk Matrix
15	Monitoring the Trust's internal control environment to assess its adequacy.	The internal control environment is generally assessed and documented by the auditor as part of their audit work. Comment is then given to management	This can be considered at each meeting.

ECCT Audit and Risk Committee Work-plan

#	Duty per Terms of Reference	How is this delivered	When is it delivered
		and to A & R post audit. There is no internal audit function being performed at present. The Committee should consider an independent controls review every couple of years or when key staff change, there is a major systems change or there is suspicion of some kind.	

ECCT Audit and Risk Committee Work-plan

Audit and Risk Committee Annual Work-plan

January	Monthly Accounts and Investment reports Meet with auditor – audit plan/engagement letter/determine fees Recommend fees to Board Review annual report preparation planning timeline	
February	Monthly Accounts and Investment reports Independent review of internal controls Risk Register update Review annual report preparation timeline Review need for internal audit Policy review per timeline	
March	Meet with auditor for update Review annual report preparation timeline	
April	Monthly Accounts and Investment reports Review draft annual accounts Risk Register update Review need for internal audit Policy review per timeline	
May	Monthly Accounts and Investment reports Meet with auditor Review and Recommend annual financial statements to Board Review annual report preparation timeline	
June	Monthly Accounts and Investment reports Review annual report preparation timeline Risk Register update Audit findings list Review need for internal audit Policy review per timeline	
August	Monthly Accounts and Investment reports Risk Register update Audit findings list Auditor review Recommend Auditor to Board (if within contract) Review need for internal audit Policy review per timeline Certificate of compliance with Trust Deed and Statutory reporting	
October	Monthly Accounts and Investment reports Risk Register update Audit findings list Review need for internal audit Policy review per timeline Review proposals for auditor (2016) and recommend appointment to Board	
December	Monthly Accounts and Investment reports Risk Register update	

ECCT Audit and Risk Committee Work-plan

	Audit findings list Review need for internal audit Policy review per timeline	
--	---	--