

Appendix 1 - Self Assessment Checklist

| Role and remit | YES/NO/NA | Comments/Action |
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| Does the audit committee have written terms of reference? | | |
| Do the terms of reference cover the core functions of an audit committee as identified in the <i>SG Audit Committee Handbook</i> ? | | |
| Are the terms of reference approved by the audit committee and reviewed periodically? | | |
| Has the audit committee been provided with sufficient membership, authority and resources to perform its role effectively and independently? | | |
| Does the body's governance statement mention the audit committee's establishment and its broad purpose? | | |
| Does the audit committee periodically assess its own effectiveness? | | |
| Membership, induction and training | YES/NO/NA | Comments/Action |
| Has the membership of the audit committee been formally agreed by the management board and or Accountable Officer and a quorum set? | | |
| Are members appointed for a fixed term? | | |
| Does at least one of the audit committee members have a financial background? | | |
| Are all members, including the chair, independent of the executive function? | | |

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| Are new audit committee members provided with an appropriate induction? | | |
| Has each member formally declared his or her business interests? | | |
| Are members sufficiently independent of the other key committees of the Board? | | |
| Has the audit committee considered the arrangements for assessing the attendance and performance of each member? | | |
| Meetings | YES/NO/NA | Comments/Action |
| Does the audit committee meet regularly, at least four times a year? | | |
| Do the terms of reference set out the frequency and broad timing of meetings? | | |
| Does the audit committee calendar meet the body's business and governance needs, as well as the requirements of the financial reporting calendar? | | |
| Are members attending meetings on a regular basis and if not, is appropriate action taken? | | |
| Does the Accountable Officer attend all meetings and, if not, is he/she provided with a record of discussions? | | |
| Does the audit committee have the benefit of attendance of appropriate officials at its meetings, including representatives from internal audit, external audit and finance? | | |
| Internal control | YES/NO/NA | Comments/Action |

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| Does the audit committee consider the findings of annual reviews by internal audit and others, on the effectiveness of the arrangements for risk management, control and governance? | | |
| Does the audit committee consider the findings of reviews on the effectiveness of the system of internal control? | | |
| Does the audit committee have responsibility for review of the draft governance statement and does it consider it separately from the accounts? | | |
| Does the audit committee consider how accurate and meaningful the governance statement is? | | |
| Does the audit committee satisfy itself that the arrangements for risk management, control and governance have operated effectively throughout the reporting period? | | |
| Has the audit committee considered how it should coordinate with other committees that may have responsibility for risk management and corporate governance? | | |
| Has the audit committee satisfied itself that the body has adopted appropriate arrangements to counter and deal with fraud? | | |
| Has the audit committee been made aware of the role of risk management in the preparation of the internal audit plan? | | |
| Do the audit committee's terms of reference include oversight of the risk management process? | | |
| Does the audit committee consider assurances provided by senior staff? | | |

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| Does the audit committee receive and consider stewardship reports from senior staff in key business areas such as Finance, HR and ICT? | | |
| Financial reporting and regulatory matters | YES/NO/NA | Comments/Action |
| Is the audit committee's role in the consideration of the annual accounts clearly defined? | | |
| Does the audit committee consider, as appropriate: | | |
| • the suitability of accounting policies and treatments | | |
| • major judgements made | | |
| • large write-offs | | |
| • changes in accounting treatment | | |
| • the reasonableness of accounting estimates | | |
| • the narrative aspects of reporting? | | |
| Is an audit committee meeting scheduled to receive the external auditor's report to those charged with governance including a discussion of proposed adjustments to the accounts and other issues arising from the audit? | | |
| Does the audit committee review management's letter of representation? | | |
| Does the audit committee gain an understanding of management's procedures for preparing the body's annual accounts? | | |
| Does the audit committee have a mechanism to keep it aware of topical legal and regulatory issues? | | |

| Internal audit | YES/NO/NA | Comments/Action |
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| Does the Head of Internal Audit attend meetings of the audit committee? | | |
| Does the audit committee consider, annually and in detail, the internal audit plans including consideration of whether the scope of internal audit work addresses the body's significant risks? | | |
| Does internal audit have a direct reporting line, if required, to the audit committee? | | |
| As well as an annual report from the Head of Internal Audit, does the audit committee receive progress reports from the internal audit service? | | |
| Are outputs from follow-up audits by internal audit monitored by the audit committee and does the committee consider the adequacy of implementation of recommendations? | | |
| If considered necessary, is the audit committee chair able to hold private discussions with the Head of Internal Audit? | | |
| Is there appropriate co-operation between the internal and external auditors? | | |
| Does the audit committee review the adequacy of internal audit staffing and other resources? | | |
| Are internal audit performance measures monitored by the audit committee? | | |
| Has the audit committee considered the information it wishes to receive from internal audit? | | |

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| Do formal terms of reference exist defining internal audit's objectives, responsibilities, authority and reporting lines? | | |
| External audit | YES/NO/NA | Comments/Action |
| Does the external audit representative attend meetings of the audit committee? | | |
| Do the external auditors present and discuss their audit plans and strategy with the audit committee (recognising the statutory duties of external audit)? | | |
| Does the audit committee chair hold periodic private discussions with the external auditor? | | |
| Does the audit committee review the external auditor's annual report to those charged with governance? | | |
| Does the audit committee ensure that officials are monitoring action taken to implement external audit recommendations? | | |
| Are reports on the work of external audit presented to the audit committee? | | |
| Does the audit committee assess the performance of external audit? | | |
| Does the audit committee consider the external audit fee? | | |
| Administration | YES/NO/NA | Comments/Action |
| Does the audit committee have a designated secretariat? | | |
| Are agenda papers circulated in advance of meetings to allow adequate preparation by audit committee members? | | |

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| Do reports to the audit committee communicate relevant information at the right frequency, time, and in a format that is effective? | | |
| Does the audit committee issue guidelines and/or a pro forma concerning the format and content of the papers to be presented? | | |
| Are minutes prepared and circulated promptly to the appropriate people, including all members of the Board? | | |
| Is a report on matters arising presented or does the chair raise them at the audit committee's next meeting? | | |
| Do action points indicate who is to perform what and by when? | | |
| Does the audit committee provide an effective annual report on its own activities? | | |
| Overall | YES/NO/NA | Comments/Action |
| Does the audit committee effectively contribute to the overall control environment of the organisation? | | |
| Are there any areas where the audit committee could improve upon its current level of effectiveness? | | |
| Does the audit committee seek feedback on its performance from the Board and Accountable Officer? | | |