

C. Example 12-month work plan

The maturity of financial reporting, risk management, governance and compliance systems will vary from one entity to another. While there are core areas an audit committee will oversee annually, there will be other areas of focus that require detailed consideration, which may change each year. To determine where it will spend its effort, an audit committee should have a clear view on the maturity and performance of the entity’s core corporate governance systems and identify areas of focus to drive improvement where the entity needs it most. The following example work plan is based on four meetings per year; however, the number of meetings may vary depending on the audit committee’s responsibilities.

Figure 6C1
Example 12-month work plan

● Annual scope of work
 ● Area of focus

Responsibility	Consideration	February	May	August	October
Financial reporting	Review of financial reports	●	●	●	●
	Review pro forma financials		●		
	Review annual financial statements			●	
	Review significant accounting issues		●		
	Review management assurance statement			●	
	Endorse financial statements			●	



Responsibility	Consideration	February	May	August	October
	Assess the entity's financial reporting maturity [Area of focus]	● Assess and develop management actions		● Update on management actions	● Update assessment
	Review financial report timetable and milestones			●	
External audit	Request briefing from QAO on emerging issues, results of audits and follow-up with management		●	●	●
	Review QAO performance audits on relevant topics	●	●	●	●
	Review QAO external audit plan including audit timetable, staffing and audit fee	● For smaller entities			● For large entities
	Consider requesting closed session briefings with QAO without management or internal audit	●	●	●	●
Internal audit	Review performance and resourcing of internal audit				●
	Review status of annual internal audit plan, including resourcing and budget	●		●	
	Review internal audit reports	●	●	●	●
	Review and endorse proposed internal audit strategic plan (three years) and annual audit plan (next 12 months)			●	
	Review internal audit charter	●			



Responsibility	Consideration	February	May	August	October
Audit recommendations	Review responses from management	●	●	●	●
	Monitor implementation of internal and external audit recommendations	●	●	●	●
Risk management	Review risk management framework		●		
	Consider reports on risk management, including reviews of the risk register	●	●	●	●
	Review fraud and corruption control plan	●			
	Update on actual frauds and losses during the last 12 months		●		
Compliance	Assess management’s identification and management of compliance risk [Area of focus]		● Assess	● Develop management actions	● Update assessment
	Consider reports on compliance risks	●	●	●	●
	Review incidents of non-compliance	●	●	●	●
Governance arrangements	Review governance structure, including financial delegations			●	
	Review entity’s oversight, and reporting on major projects or outsourced functions			●	
Major projects update	Update on major projects, including risks, known issues and progress	●	●	●	●
Performance management	Review performance management systems		●		
	Review the annual report			●	



Responsibility	Consideration	February	May	August	October
Effectiveness of audit committees	Review committee and member performance		●		
	Review/endorse audit committee charter		●		
Emerging risk—cyber security (example only)	Review the entity's cyber security capabilities [Area of focus]			● Cyber security specialist guest presentation	● Management present cyber risk and actions
Management presentations	On a rotational basis, the chief executive officer and management present on their responsibilities, including risks, audit issues and major projects.	● CEO brief and Division A	● Division B	● CEO brief and Division C	● Division D

Notes: QAO—Queensland Audit Office; CEO—chief executive officer.

Source: Queensland Audit Office.

