# Contents

## Introduction
- Background .......................... 1

## Section I: Establishment and effectiveness of the audit committee
- Section I: Establishment and effectiveness of the audit committee ............................. 2

## Section II: Roles and responsibilities of the audit committee
- Section II: Roles and responsibilities of the audit committee ..................................... 6

## Section III: Communication on audit, risk management and control
- Section III: Communication on audit, risk management and control .................................... 14

## Practices and Step Ups

### Audit committee
- Practice 8.1 .................................. 17
- Practices 8.2 and 8.3 ....................... 21
- Step Up 8.4 .................................. 31
- Practice 8.5 .................................. 35

### Risk management and internal control framework
- Practices 9.1 and 9.2 ....................... 42
- Step Up 9.3 .................................. 58
- Practices 10.1 and 10.2 .................... 63

## Appendices

### Appendix I: List of indicators to be aware of and questions to be posed to management – financial reporting
- Appendix I: List of indicators to be aware of and questions to be posed to management – financial reporting ............................................................... 73

### Appendix II: External auditor evaluation form
- Appendix II: External auditor evaluation form ................................................................. 79

### Appendix III: Matters to be tabled to the audit committee on related party transactions
- Appendix III: Matters to be tabled to the audit committee on related party transactions .......... 86

### Appendix IV: Financial literacy questionnaire
- Appendix IV: Financial literacy questionnaire ................................................................. 87

### Appendix V: Questions to be posed to management – controls and compliance
- Appendix V: Questions to be posed to management – controls and compliance .................. 89

### Appendix VI: Examples of risk indicators
- Appendix VI: Examples of risk indicators ................................................................. 95

### Appendix VII: Evaluation of internal audit function
- Appendix VII: Evaluation of internal audit function .......................................................... 96