SUMMARY OF SIGNIFICANT CHANGES IN 2012 UPDATE OF ‘AUDIT COMMITTEE GUIDELINES: IMPROVING ACCOUNTABILITY AND PERFORMANCE’

This summary outlines the more significant amendments made to the ‘Audit Committee Guidelines: Improving Accountability and Performance’ (the Guidelines) in the June 2012 update, as compared to the version issued in December 2009.

The key changes to the Guidelines relate to:

- **section 3.3 Composition of Audit Committee** – added a discussion about professional indemnity insurance for external non public sector members.

- **section 4.2 Internal Controls** – included reference to the chief finance officer statement about the financial internal controls as a source of information for the audit committee.

- **section 4.3 Financial Reporting** – added a discussion about the Centro Federal Court case about the responsibilities that directors have in relation to company financial statements.

- **section 4.6 External Audit** – added a discussion about the audit committees reviewing all Auditor-General Reports to Parliament (not only those directly relating to the agency) for learnings.

- **section 4.7 External Scrutiny** – included a section on other external scrutiny to which the agency may be the subject, for example reviews by Parliamentary committees, the Crime and Misconduct Commission, the Queensland Ombudsman or the Coroner.

- **section 4.8 Cross Agency Collaborations and Outsourced Arrangements** – included a specific section on cross agency collaborations and outsourced arrangements.

- **Appendix A Sample Charter** – expanded the dot points under the Financial Statements section.

- **Appendix M Audit Committee Self Assessment Questionnaire** – added example questions to the questionnaire to consider issues such as understanding the agency, obtaining management input and relationships.

- **Appendix O Sample Management Feedback Questionnaire** – added a new Appendix which contains a sample senior management feedback questionnaire.

- changed references throughout the document from ‘performance management systems audits’ to ‘performance audits’, in recognition of the expansion of the Auditor-General’s mandate.

- changed references from ‘Queensland Audit Office’ to ‘external auditor’, in recognition that the Auditor-General may outsource the audit of an agency.

- updated references to external reference documents and legislation.