

1. Heads of Power

Local Government Act 2009 (Qld), Section 105

Local Government Regulation 2012 (Qld), Sections 207-211

2. Purpose

This policy establishes the framework for Aurukun Shire Council's (**Council**) internal audit function, ensuring compliance with legislative requirements and promoting effective governance, risk management, and internal controls.

3. Scope

This policy applies to all Council activities, including entities over which Council has direct ownership, management, or financial control.

4. Definitions

Internal Audit: An independent, objective assurance and consulting activity designed to add value and improve Council's operations.

Internal Control: Processes designed to provide reasonable assurance regarding the achievement of objectives in operational effectiveness, reliability of financial reporting, and compliance with laws and regulations.

5. Policy Statement

Council is committed to establishing and maintaining an efficient and effective internal audit function to:

- Provide independent assurance on the adequacy and effectiveness of internal controls, risk management, and governance processes.
- Assist in the improvement of Council's operations and the achievement of its objectives.

6. Internal Audit Function

The internal audit function shall:

- **Independence:** Operate independently, with internal auditors having unrestricted access to all functions, records, property, and personnel relevant to the audit.
- **Authority:** Have the authority to review and appraise all policies, plans, procedures, and practices of Council.
- **Responsibility:** Be responsible for examining and evaluating the adequacy and effectiveness of Council's governance, risk management, and internal controls.

7. Internal Audit Plan

An internal audit plan shall be developed annually, outlining the proposed internal audit activities for the forthcoming year. This plan shall:

- Be risk-based, focusing on areas of highest risk to Council's operations.
- Be approved by the Chief Executive Officer (**CEO**).
- Be reviewed and updated as necessary to reflect changes in Council's risk profile or operational environment.

8. Reporting

The internal audit function shall:

- Prepare a report for each internal audit conducted, detailing findings, recommendations, and management responses.
- Submit these reports to the CEO for review and action.
- Provide these reports to the Council .

9. Quality Assurance and Improvement

To ensure the effectiveness of the internal audit function, Council shall:

- Periodically assess the quality of internal audit activities.
- Implement improvements based on assessment findings and best practices.

10. Related Documents

- Risk Management Policy
- Fraud and Corruption Control Policy

11. Document Controls

This policy will be reviewed every two years or as required by legislative changes or best practice developments.

12. Policy Owner

Chief Executive Officer.