

## **TERMS OF REFERENCE OF THE AUDIT COMMITTEE**

### **1. CONSTITUTION**

- 1.1. The Committee will consist of five Councillors (excluding members of the Policy and Resources Committee) appointed by Full Council at the Annual Council Meeting. Committee meetings will be arranged by the Town Clerk.

### **2. ELIGIBILITY**

- 2.1. Members of the Committee involved in undertaking any financial audit of the Council will withdraw from being cheque signatories for the period of the audit.

### **3. RESPONSIBILITIES**

- 3.1. Actions required pursuant to the annual audit by the internal and external auditors.
- 3.2. To ensure that any new financial systems introduced by Council have adequate controls and provide appropriate audit trails.
- 3.3. To implement internal audits within the parameters required by statute.
- 3.4. To review the annual internal audit report on the Council's activities for further consideration by Council, and make recommendations.
- 3.5. To receive the report of the external auditor and make recommendations if necessary.