

Risk Management

GOVERNANCE FORUM

What the Audit Committee likes to see

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22 May 2009

Audit Committee

- The role of committees is to advise the Board/
Council/ Accounting Officer
- Provide assurance on internal controls and financial
statements
- Responsibilities of an Audit Committee include
 - Oversight of Risk Management and Internal Control system
 - Oversight of internal audit
 - Corporate governance compliance

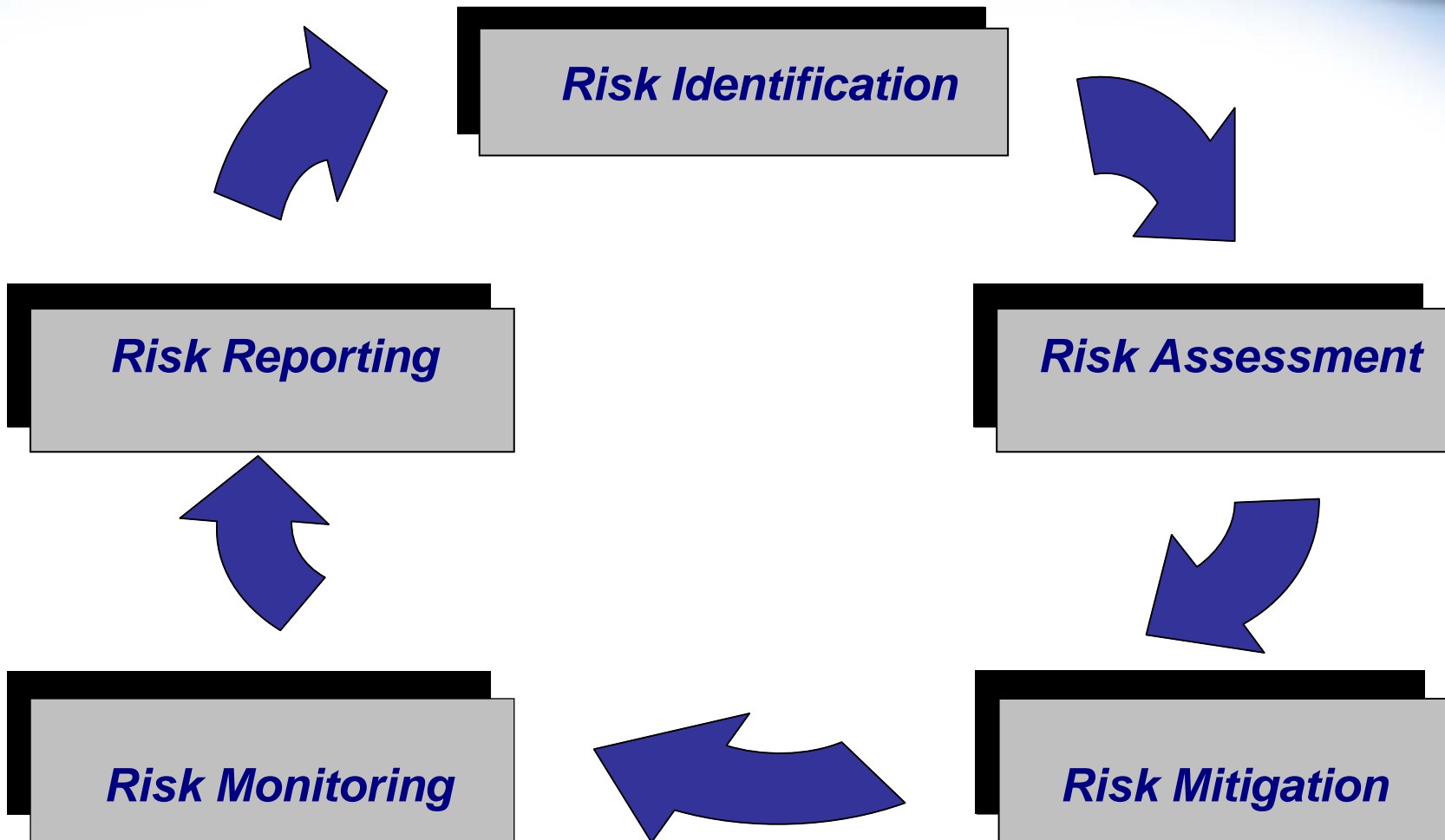
Some Background

- IPA Activities
 - Advising on the design and implementation of risk management
 - Internal Audit courses
 - Corporate governance reviews
- Membership of Audit Committees

Objectives of Risk Management Process

- Awareness of broad nature of risk
- Embed the concept of risk management in the organisation at all levels
- Provide assurance to Senior Management/ Board/ Accounting Officer
- Support the achievement of objectives

Risk Management Cycle



Assessment of risks

- Identify principal risk
- Mitigation / Management Actions
- Risk Ranking
 - Impact, Likelihood
- Suggestions on additional actions
- Accountability

Issues arising

- Tone at the top management team
- Buy-in by staff
 - proactively identifying risk issues
 - Is there a no-blame culture?
- Are there regular reviews? - On which agendas?
 - Management
 - Audit Committee
 - Board
- Embedded in decisions?
 - Link to business plans