

Audit Plan – Example

An **Audit Plan** is used by governing bodies to oversee the audit program and ensure there is adequate coverage across the business and key risk areas. This is to provide the right level of assurance to the governing body that risks and key compliance obligations are being managed appropriately and also have some balance with continuous improvement opportunities.

Note: The items included in the Risk Appetite Statement below are **examples only**. It is the responsibility of each provider to develop governance tools such as the below based on their own unique circumstances.

Audit Plan

Risks can be coloured-coded to show strategic risk rating.

Categorising the need for the audit can help with understanding relative priority and urgency.

Audit programs are commonly planned over multiple years. Showing the planned resources over several years helps to understand the longer-term resource impact. It also helps with prioritising resources and ensuring strategic and balanced coverage across the business.

Defining the objective for the audit helps to understand the purpose as well as the high-level scope.

Including references to relevant strategic risks assists with understanding the context for the audit and also shows, at a glance, the extent of coverage of the audit program across strategic risk areas. The risk rating can be included here as well.

Audit basis (mandatory, high risk area, continuous improvement)	Audit description	Objective	Relevant legislation/ standard/policies	Strategic risks	Frequency	Audit days		
						Year 1	Year 2	Year 3
M	Financial statements	Independently review and verify the financial accounts	Corporations Act 2001	#3 Fraud and misconduct #6 Financial sustainability	Annual	25	25	25
HR	Clinical risk management	Provide assurance regarding clinical risk management practices through review and assessment against better practice with focus on high-impact/ high-prevalence risks	Standard 3 – Personal care and clinical care Standard 8 - organisational governance	# 2 Adverse clinical outcomes	One aspect annually	25	25	25
CI	Records management	Review records management policies and practices with a view to identifying improvement and opportunities	Privacy Act 1998 Aged Care Act 1997 Information Management Policy Records Principles 2014	#4 Maintaining confidentiality	Once every three years	-	30	-
HR	Personnel risk	Provide assurance regarding recruitment processes and background checks through review of personnel management processes	Aged Care Act 1997 Standard 7 – Human resources	#7 Employee misconduct	Every second year	30	-	30

Including references to legislation, standards or policies assists with understanding audit context and scope.

Including frequency helps to understand resource implications.

Audit Basis Legend	
Mandatory	Required under legislation or regulatory obligation
High-Risk Area	Relates to high- or very high-rated strategic risk area with serious consequences if not managed well
Continuous Improvement	Opportunity to strengthen and enhance business processes and align to better practice