



Effectiveness of Internal Audit

Internal audit is often defined as an independent, objective assurance and consulting activity designed to add value to and improve an organisation's operations. It is an important function that provides independent advice, assurance and can act as a valuable tool for effectively and appropriately managing risk within an entity.

We decided to undertake this audit because it is an important component of any public sector entity. However, if internal audit is not providing objective challenge or driving improvement, it can be a significant waste of resources.

The audit will examine all nine Tasmanian Government departments to assess if collectively the internal audit functions and audit committees are operating effectively and delivering a positive impact on State-Sector performance. We will identify potential learnings and suggest improvements to assist departments increase the effectiveness of their internal audit functions and audit committees. The audit will assess the impact of the internal audit functions in State departments by answering the following:

1. Are audit committees and internal audit functions effective in providing advice and assurance to the Head of Agency?
2. Are Accountable Authorities effective in overseeing and managing audit committees and internal audit functions?
3. Do Audit Committees effectively deliver objective challenge and assurance?
4. Are internal audit functions effective in strengthening Agency internal governance, risk management and control processes?