

## **AUDIT AND RISK ASSURANCE COMMITTEE**

### **TERMS OF REFERENCE**

#### **1. Introduction**

**1.1** The Northern Ireland Museums Council is constituted as a Company Limited by Guarantee, without share capital, and as such its role and operation is set out in its Memorandum and Article of Association.

**1.2** Under Article 32, "The Board may delegate any of its powers to committees chaired by a Board Member and consisting of such persons, whether or not being members of the Board or of the Company, as it thinks fit; any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Board. All acts and proceedings of such committees shall be reported back to the Board as soon as possible. The Board may at any time revoke any such delegation and the appointment of all or any of the members of the committee."

**1.3** The NIMC Board has established the Audit & Risk Committee to support it in its responsibilities relating to risk control, audit and governance, and to provide the Board and Director (as Accounting Officer) with assurances concerning these areas. It is also charged with reviewing the reliability and integrity of these assurances.

#### **2.0 Authority**

The Board has authorised the Audit & Risk Assurance Committee to investigate any activity within its terms of reference and may seek any information it requires from staff, with such request being channelled through the Director.

#### **3.0 Constitution and Membership**

**3.1** The Board will appoint four of its members to serve as its Audit & Risk Assurance Committee.

**3.2** The Committee will be chaired by a Board Member as agreed by the Chair and NIMC Board.

**3.3** The Committee may co-opt additional members to the ranks of the Committee and procure specialist ad-hoc advice (subject to any related expenditure being agreed by the Board).

**3.4** The NIMC Director is entitled to attend meetings of the Audit & Risk Assurance Committee, but without voting rights.

**3.5** The Committee may invite other officials, individuals or organisations to attend all, or part, of its meetings.

NIMC staff will provide the Committee with the necessary secretariat support.

**3.6** In the absence of the Chair, another Board Member may deputise for the purpose of the meeting.

#### **4.0 Quorum**

**4.1** A minimum of three members of the Audit & Risk Assurance Committee will be present for the meeting to be deemed quorate.

### **5. Duties of the Committee**

- 5.1**
- The strategic processes of audit, risk, control and governance
  - The accounting policies, the accounts, and the annual report of NIMC, including the process of review of the accounts prior to audit and the Statement of Internal Control.
  - The planned activity and results of both internal and external audit
  - The appointment of auditors
  - The adequacy of management response to issues identified by audit activity, including the external audit's management letter
  - Assurances relating to the corporate governance requirements of NIMC.
  - Proposals for tendering audit services or non-audit services that are directly related to the work of the Committee.
  - Anti-fraud and cyber security policies, whistle-blowing processes and arrangements for special investigations
  - The outcome of reviews of its own effectiveness

### **6. Proceedings**

**6.1** The Committee will meet at least four times per annum and may meet more often as business dictates.

- 6.2 The role and functions of the Committee will be carried out in accordance with the Articles of Association and the Terms of Reference of the Committee.
- 6.3 The Agenda for each meeting of the Committee will be agreed with the Chairperson of the Committee and issued electronically at least seven days in advance to each member of the Committee.
- 6.4 The Committee will review its Terms of Reference annually and recommend any changes to the Board.
- 6.5 In addition to the members of the Committee as identified above, the Director of NIMC will normally be expected to attend its meetings. The Committee may ask members of management or others to attend the meeting and is authorised to receive all pertinent information from management or others as appropriate.
- 6.6 The Committee will undertake an annual self-assessment review.

**7. Reporting Procedures**

- 7.1 The Committee will provide a written report to the Board after each meeting, which may contain recommendations for action.
- 7.2 The draft Minutes of each Audit & Risk Assurance Committee meeting will be sent to the Department for Communities and the ARAC within 28 working days of the date of the meeting.
- 7.3 The Minutes of the Committee meeting will be formally confirmed by the Committee and submitted to the Board for adoption in a timely manner.
- 7.4 The Committee will make reports and recommendations to the Board of Trustees on matters within its terms of reference as it shall think fit.

**Agreed by the Audit and Risk Assurance Committee**

**Date: 23/11/22**

**Date of Next Review: November 2024**