

Muscular Dystrophy Ireland
75 Lucan Road
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Finance and Audit Committee Terms of Reference

Muscular Dystrophy Ireland has a Finance and Audit Committee which reports directly to the Executive. The following is the committee's terms of reference:

1. Role of the Finance and Audit Committee

The role of the Finance and Audit Committee is to oversee the financial and risk management of MDI, including the raising, collection, investment, borrowing and outlay of all monies required to fund its activities, and to report and make recommendations to the Executive thereon.

2. Appointment and Meeting Arrangements

The committee will be comprised of at least two Executive members with discretion to co-opt up to two additional Executive members with relevant skills and experience. The committee will also comprise the Finance Officer.

The Treasurer will chair the committee

The committee members will hold term for three years

The quorum necessary for the transaction of business of the committee will be at least one committee member and the Finance Officer

The committee may require other parties to attend its meetings, including members of the management team and the external auditor

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3. Key Responsibilities

The key responsibilities of the Finance and Audit Committee will be to:

Annual Audit of Financial Statements

Review the draft annual financial statements and related reports of the company and recommend their approval to the Executive

Make recommendations to the Executive on the appointment of external auditors

Monitor the external auditor's independence, objectivity and effectiveness

Review and make recommendations to the Executive in respect of matters raised by the external auditor in the post audit report

Advise the Executive, at three yearly intervals, whether the company is receiving a cost effective and high quality professional service from its external auditors. This advice will be based on an evaluation of the auditor's performance and on the outcome of an open tender process for the following three years' audit contract.

Financial Management and Controls

Review the effectiveness and operation of the accounting policies, financial management processes and internal controls in place throughout the organisation.

Receive the monthly management accounts pack presented by the Finance Officer.

Review the annual budget and its underlying assumptions, as presented by the Finance Officer, and recommend its approval to the board.

Develop and assess long-term strategy, in collaboration with the Chief Executive Officer and Finance Officer

Adopt financial performance measures and review actual performance against short, medium and long-term plans and benchmarks.

Review and report to the board on significant capital expenditure proposals.

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Meet such requests from the board for assistance, concerning finance related matters, as may arise from time to time.

Ensure that for parties wishing to communicate information of a sensitive nature to the organisation, there is a confidential access channel in place through the Chair of the Finance & Audit Committee.

Risk Management

Conduct formal risk assessment and make recommendations to the board on an annual basis.

Ensure there are appropriate risk management and risk avoidance measures in place.

4. Resources

The Executive of the company will provide sufficient resources to enable the committee to perform its functions satisfactorily

The committee, following notification to the Chair of the Executive, may seek such external professional advice as it deems necessary to discharge its responsibilities

5. Reporting Relationships

The committee will report to the Executive on the outcome of its meetings and, following each meeting, forward a copy of the minutes to the Secretary of the company

The Executive will review the performance of the committee on an annual basis