

**Terms of Reference  
Audit Committee of the Parades Commission for Northern Ireland**

The Accounting Officer has established an Audit Committee to support him in his responsibilities for issues of risk, control and governance and associated assurance.

**Membership**

The members of the Audit Committee are:

- Two Commissioners: The Commissioner membership can be changed on agreement of the Chairman of the Parades Commission and the Accounting Officer)
- A representative from both the internal auditors ASM Horwath and the external auditors, the NI Audit Office
- Two members of the Secretariat: (Secretariat membership can be changed on the authority of the Accounting Officer to the Commission).
- Provision is made for the co-option of up to two other members, including an external member as agreed by the Accounting Officer and Audit Committee Chairman).

The NIO will also send a representative as an observer to the meetings.

**Meetings**

- The Audit Committee will meet at least four times a year. The Chair of the Audit Committee may convene additional meetings, as she deems necessary. Members from the Commission's Secretariat who are on the Audit Committee may be excluded from part or whole of these meetings, as the Audit Committee Chairman deems necessary.
- A minimum of two members of the Audit Committee will be present for the meeting to be deemed quorate, but such meetings must include the attendance of at least one Commissioner.
- Audit Committee meetings to be attended by the Accounting Officer.
- The Chair may convene meetings of the Audit Committee which exclude, wholly or for a time, the presence of Committee members from the Secretariat where she believes this is necessary for the full and proper working of the Audit Committee.
- At least one Audit Committee meeting per year will be held with the internal auditor at which no members of the secretariat will be present.
- The Audit Committee may ask any other officials of the Parades Commission to attend in order to assist it with its discussions on any particular matter.
- The Audit Committee may ask any or all of those who are attending but who are not members of the Audit Committee to withdraw in order to facilitate open and frank discussion of particular matters.

- The Accounting Officer (or the Commission) may ask the Audit Committee to convene further meetings to discuss particular issues on which they want the Committee's advice.

#### **Access**

The Internal Auditor and the representative of External Audit will have free and confidential access to the Chair and vice Chair of the Audit Committee.

#### **Reporting**

Minutes of each meeting will be circulated to members in advance of the next Audit Committee meeting and the Committee will formally report back to the Accounting Officer (and the Commission) on any issue it feels requires immediate attention after each meeting.

#### **Responsibilities**

The Audit Committee will advise the Accounting Officer (and the Commission as appropriate) on

- the strategic processes for risk, control and governance and the Statement on Internal Control;
- the accounting policies, the accounts, and the annual report of the organisation, including the process for review of the accounts prior to submission for audit, levels of error identified, and management's letter of representation to the external auditors;
- the planned activity and results of both internal and external audit;
- adequacy of management response to issues identified by audit activity, including external audit's management letter;
- assurances relating to the corporate governance requirements for the organisation; and
- (where appropriate) proposals for tendering for Internal Audit services or for purchase of non-audit services from contractors who provide audit services

#### **Information requirements**

- The Audit Committee will be provided with:
  - For each meeting:
    - A report summarising any significant changes to the organisation's Risk Register
    - Latest report from the Internal Audit covering as appropriate:
      - work performed (and a comparison with work planned)
      - key issues emerging from Internal Audit work
      - management response to audit recommendations
      - changes to the Periodic Plan
      - any resourcing issues affecting the delivery of Internal Audit objectives
  - As appropriate
    - Proposals for the Terms of Reference of Internal Audit
    - The Internal Audit Strategy
    - The Head of Internal Audit's Annual Opinion and Report
    - Quality Assurance reports on the internal audit function
    - The draft accounts of the organisation
    - The draft Statement on Internal Control
    - A report on any changes to accounting policies
    - External Audit's management letter

- A report on any proposals to tender for audit functions
- A report on co-operation between Internal and External Audit
- Comparative financial reports from the previous year and current year, with detailed and summary reports.