Mevagh Family Resource Centre

Terms of Reference for the Appointment of External Auditor

Document:	**Terms of Reference for the Appointment of External Auditor**
What is this?	This is Mevagh Family Resource Centre's (Mevagh FRC) Terms of Reference for the Appointment of External Auditor
Date Policy Approved:	These TOR were approved by the (VBOD) of Mevagh FRC at its meeting on 27.07.26
Review Date:	These TOR will be reviewed by the (VBOD) of Mevagh FRC on 27.07.29

Introduction

Meitheal Mhíobhaigh Cuideachta Faoi Treorainn Ráthaíochta is a Company Limited by Guarantee and not having Share Capital, and a registered charity in Ireland. The Centre delivers family and community services and is primarily funded by Tusla – Child and Family Agency, along with other grant funders.

The organisation operates in compliance with:

- Companies Act 2014
- FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"
- Charities Act 2009
- Charities Regulator Governance Code
- Charity SORP (FRS 102)
- Tusla / CFA funding and reporting requirements

Purpose of Appointment

The Board of Directors seeks to appoint an independent external auditor to conduct the statutory audit of the annual financial statements and ensure full compliance with charity, statutory, and funder requirements.

Scope of Work

The auditor will:

- Carry out the statutory audit in accordance with International Standards on Auditing (Ireland)
- Prepare and/or audit annual financial statements including:
  - ✓ Statement of Financial Activities (SOFA)
  - ✓ Balance Sheet
  - ✓ Cash Flow Statement (if required)
  - ✓ Notes and comparative figures
- Issue an Independent Auditor's Report to the members
- Assist with and review the Directors' Report in line with Companies Act and Charity SORP requirements

Charity SORP & Tusla Reporting

The auditor must ensure:

- Full compliance with Charity SORP (FRS 102)
- Clear distinction between restricted and unrestricted funds
- Accurate classification and disclosure of Tusla / CFA funding
- Alignment of audited accounts with Tusla / CFA financial reporting templates
- Detailed income and expenditure reporting by bank account, including the Tusla-designated account
- Reconciliation of all bank accounts to year-end balances

Regulatory & Funder Compliance

Audited accounts must be suitable for submission to:

- Companies Registration Office (CRO)
- Charities Regulator
- Tusla / Child and Family Agency
- Other relevant funders

The auditor may be required to assist with funder or regulatory queries.

Audit Timetable

- Financial year-end: 31 December
- Draft audited accounts to Board: Early March
- Final signed accounts: In advance of AGM (end of March)

Meeting AGM/Funder deadlines is a key condition of appointment.

Communication & Reporting

The auditor will:

- Liaise with the Centre Project Manager/Administrator and Treasurer
- Attend the AGM if required
- Provide a Management Letter outlining any internal control, governance, or compliance issues, with recommendations for improvement

Auditor Requirements

The auditor must:

- Be a registered statutory auditor in Ireland
- Be a member of a recognised professional body (e.g. CAI, ACCA)
- Have experience auditing CLGs and charitable organisations
- Confirm independence and professional indemnity insurance

External Auditor Independence

The organisation is committed to maintaining the independence and objectivity of its external auditors. External auditors must remain independent of all operational and management functions and report directly to the Board of Directors and/or Audit Committee/Finance Sub-group.

To protect auditor independence, external auditors must not:

- Implement internal controls or develop organisational procedures.
- Install systems or prepare source documentation.
- Audit work that they have previously undertaken.
- Have direct operational responsibility for any function within the organisation.

Any actual, potential, or perceived threat to the independence or objectivity of the external auditor must be disclosed immediately to the Board and, where required, reported to Tusla.

Fees

Audit proposals should include:

- A fixed annual fee (inclusive of VAT)
- Confirmation that the fee includes:
  - ✓ Tusla-aligned reporting schedules, Directors' Report and AGM-ready audited accounts
- Details of any additional charges

Approval

This brief is issued by the Board of Directors of Meitheal Mhíobhaigh CTR and forms the basis for the appointment of the external auditor.

Review and Evaluation

These Terms of Reference will be reviewed every three years, or more frequently if necessary. Any required adjustments will be made at that time and must be approved by the VBOD.

Signed by the Chairperson: ____________ **Date:** 30/7/26

Signed by Director: ____________ **Date:** 30/7/26

Revision History

Revision No.	**Approval Date**	**Document Reference and Changes Made**	**Name**
1	27.07.26	**Add: External Auditor Independence** The organisation is committed to maintaining the independence and objectivity of its external auditors. External auditors must remain independent of all operational and management functions and report directly to the Board of Directors and/or Audit Committee/Finance sub-group. To protect auditor independence, external auditors must not: ▪ Implement internal controls or develop organisational procedures. ▪ Install systems or prepare source documentation. ▪ Audit work that they have previously undertaken. ▪ Have direct operational responsibility for any function within the organisation. Any actual, potential, or perceived threat to the independence or objectivity of the external auditor must be disclosed immediately to the Board and, where required, reported to Tusla.	Gráinne Sheils