

## **Audit & Oversight / Risk Management Committee**

### **Mauritius Revenue Authority (MRA)**

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#### **1. Purpose**

The **Audit & Oversight / Risk Management Committee (AORMC)** is a standing committee of the MRA Board. It is established to assist the Board in:

- Overseeing the integrity of financial reporting
  - Monitoring internal controls, audits, and compliance
  - Evaluating risk management systems
  - Promoting good governance, accountability, and transparency
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#### **2. Scope of Responsibilities**

##### **a. Internal and External Audit**

- Review and approve the internal audit charter, risk-based audit plans, and resources.
- Monitor the effectiveness, independence, and objectivity of the internal audit function.
- Review findings of internal and external audit reports, including management's responses and action plans.
- Ensure timely follow-up and closure of audit recommendations.
- Liaise with the **Director of Audit** and assess the external audit scope, findings, and management letters.
- Agree on the appointment and dismissal of the Director of Internal Audit.

##### **b. Financial Oversight**

- Review the MRA's financial statements before submission to the Board and ensure compliance with accounting standards and legal requirements.
- Ensure the integrity and accuracy of financial reporting processes.
- Assess significant accounting and reporting issues, including judgments and estimates.

##### **c. Risk Management**

- Review the MRA's enterprise risk management (ERM) framework, policies, and processes.
- Monitor key strategic, operational, financial, reputational, and compliance risks.

- Oversee the risk register and ensure risk mitigation measures are in place and effective.
- Ensure alignment of risk management with strategic and operational objectives.

#### **d. Compliance and Governance**

- Monitor compliance with laws, regulations, and internal policies, including the **MRA Act**, **Financial Management Manual**, and **Public Procurement Act**.
  - Promote ethical conduct, anti-fraud mechanisms, and whistleblowing frameworks.
  - Recommend to the board unrecoverable arrears of taxes for write off after due diligence by Internal Audit Unit.
  - Review conflicts of interest, irregularities, and integrity-related matters.
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### **3. Authority**

The Committee is authorized by the Board to:

- Obtain all information required from internal departments or external sources.
  - Engage internal or external experts as necessary.
  - Review and recommend policies, procedures, and internal controls.
  - Instruct internal audit or management to investigate matters of concern.
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### **4. Composition**

The Committee shall consist of:

- **Chairperson:** A Board member appointed by the Chairperson of the Board.
- **Members:** At least two other Board members.
- The Chairperson and at least one member should be skilled and experienced in financial matters.
- Director of Internal Audit should attend and report at all meetings.
- The **Director-General** and other senior officers may attend by invitation (non-voting)
- A **Secretary** to provide administrative and record-keeping support

Independent external members with audit or risk expertise may be co-opted when necessary.

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## 5. Meeting Frequency

- The Committee shall meet **at least 4 times per year**, or more frequently if required.
  - Special meetings may be convened by the Chairperson.
  - A **quorum** shall consist of a **majority of the appointed members**.
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## 6. Reporting and Accountability

- The Committee shall report to the Board of the MRA.
  - Minutes of each meeting shall be circulated to the Board.
  - An **annual report** summarizing the Committee's key activities, findings, and recommendations shall be submitted to the Board.
  - Any significant issues shall be escalated immediately to the Board.
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## 7. Review of Terms of Reference

These Terms of Reference shall be reviewed **annually** and amended as necessary, subject to Board approval, to ensure continued relevance and effectiveness in line with evolving governance, legal, and regulatory standards.