

**The National Museum of Ireland
Financial Statements
Year Ended
31st December 2012**

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NATIONAL MUSEUM OF IRELAND

STATEMENT OF RESPONSIBILITIES OF THE BOARD

The National Museum of Ireland (NMI) presents its report for the year ended 31st December 2012.

Responsibilities of the Board Members

Section 35 of the National Cultural Institutions Act, 1997, requires the Board to prepare financial statements in such form as may be approved by the Minister for Arts, Heritage and the Gaeltacht with the concurrence of the Minister for Public Expenditure & Reform. In preparing those financial statements, the Board is required to:

- Select suitable accounting policies and then apply them consistently for the purpose of showing a true and fair view of the state of the NMI's affairs.
- Make judgements and estimates that are reasonable and prudent.
- Prepare the financial statements on a going concern basis.
- Disclose and explain any material departures from applicable accounting standards.

The Board members are responsible for keeping proper books of account, which disclose with reasonable accuracy at any time the financial position of the Museum and enable them to ensure that the financial statements comply with Section 35 of the National Cultural Institutions Act, 1997.

The Board is responsible for the stewardship of the artefacts, which are owned by the State.

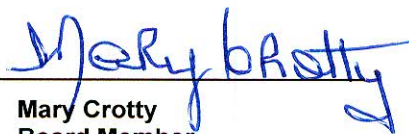
The Board is also responsible for safeguarding the assets of the Museum and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board:



Dr John O'Mahony
Chairman

Date Signed: 2 December 2014



Mary Crotty
Board Member

Date Signed: 2 December 2014

NATIONAL MUSEUM OF IRELAND

STATEMENT ON INTERNAL FINANCIAL CONTROL

Responsibility for System of Internal Financial Control

On behalf of the Board of the National Museum of Ireland I acknowledge our responsibility for ensuring that an effective system of internal financial control is maintained and operated.

The system can provide reasonable but not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely period.

Key Control Procedures

The Board has taken steps to ensure an appropriate control environment by:

- Clearly defining management responsibilities;
- Establishing formal procedures for reporting significant control failures and ensuring appropriate corrective action;

The Board has established processes to identify and evaluate business risks by:

- Identifying the nature, extent and financial implication of risks facing the body, including the extent and categories, which it regards as acceptable;
- Assessing the likelihood of identified risks occurring;
- Assessing the Museum's ability to manage and mitigate the risks that might occur;
- Assessing the costs of operating particular controls relative to the benefit obtained;

The system of internal financial control is based on a framework of regular management information, administrative procedures including segregation of duties, and a system of delegation and accountability.

In particular it includes:

- Comprehensive budgeting system with an annual budget which is reviewed and agreed by the Board;
- Quarterly Reviews by the Board of financial information which indicate financial performance against forecasts;
- Setting targets to measure financial and other performance;
- Clearly defined capital investment control guidelines;
- Formal project management disciplines;

The Board of the Museum has established an Audit Committee and set the Committee's terms of reference. The Committee met on nine occasions in the year ended 31st December 2012. The National Museum of Ireland has outsourced the internal audit function until 2013.

**NATIONAL MUSEUM OF IRELAND
STATEMENT ON INTERNAL FINANCIAL CONTROL.....continued**

Responsibility for System of Internal Financial Control



Internal Audit operates in accordance with the Framework Code of Best Practice set out in the Code of Practice for the Governance of State Bodies. Its work is informed by the analysis of the risks to which the Museum is exposed, and annual internal audit plans are based on this analysis. The analysis of risk and the internal audit plans are endorsed by the Audit Committee and approved by the Board. At least annually, the Audit Committee provides the Board with a report of internal audit activity.

The internal auditor conducts, on a rolling basis, an examination of internal controls in the key financial areas and reports its findings to the Audit Committee. All internal audit reports are considered by the Audit Committee. These reports together with the recommendations of the Audit Committee are communicated to the Board to enable the Board to discharge its oversight responsibilities.

Annual Review of Controls

A review of the effectiveness of the system of internal financial control was carried out in respect of the year ended 31 December 2012.

On behalf of the Board:

Dr John O'Mahony - Chairman

Date Signed: 2 December 2014

