

Terms of Reference of the Finance and Investment Committee

Role of the Finance and Investment Committee (FIC)

The primary role of the FIC is to assist the Board in ensuring that the management of the Trust complies with its statutory and other obligations in an efficient and effective manner.

This role will normally include but will not be restricted to:

- assessing the reliability, integrity and regularity of the financial and other management information relevant to the efficient operation of the business;
- reviewing the efficiency and effectiveness of those systems and controls established by management to ensure compliance with policies, plans, procedures, laws and regulations, and
- appraising the economy and efficiency with which resources are utilized.

Specific Functions

The areas on which the FIC will provide advice to the Board include, but are not necessarily limited to, the following:

External Audits

- Recommend to the Board the appointment of the independent auditors;
- Review and agree the audit plans of the independent auditors;
- Evaluate the results of the external audit and ensure that any recommendations agreed to by the Board are acted upon by management, and
- Ensure that no management restrictions are being placed upon the external auditors.

Review the Financial Statements

- Review the annual financial statements with management and external auditors prior to their public release and report to the Board, and
- Regularly review the interim financial statements and report to the Board.

Investment Operations

- Recommend to the Board the Investment Strategy to be followed by the Trust in the management of its reserves;
- Review the performance of investment management against the targets set for investment performance and report to the Board.

Accounting and Internal Controls

- Review and approve all significant accounting policy changes;
- Evaluate the adequacy and effectiveness of the Trust's administrative, operating and accounting policies through active communication with management and external auditors where appropriate, and

- Evaluate the adequacy of the Trust's internal controls with reference to management and external auditors.

Authority and Operations

The FIC shall meet as frequently as is required to discharge its obligations but in any case no less than twice a year and report on its deliberations to the next Board meeting thereafter.

Membership

The FIC shall be comprised of a minimum of four members, of which at least two are members of the Board, including the Executive Secretary. However, in order to deal with any potential conflict of interest concerning the audit function of the Committee's work, a sub committee of the FIC, the audit sub-committee, will be established and will include all members of the FIC except the Executive Secretary. This sub-committee will have all duties and functions generally associated with the Board's obligation in the audit area.