

Finance And Audit Committee | Terms of Reference

1. Purpose

The purpose of the Finance and Audit Committee (FAC) is to report to the Board of Directors on the state of the organisation's financial matters, including current position, prospects, future planning and on the organisation's risk management framework, key risks and associated internal controls.

To fulfil this mandate the Finance and Audit Committee will provide biannual reports to the Board of Directors and such periodic reports as it may consider appropriate.

2. Composition

The committee consists of at least three and at maximum five non-executive members of the board.

This committee can co-opt external, qualified accounting & finance experts as committee members. The majority of the committee must be made up of elected board members.

All committee members and the committee Chair are appointed and withdrawn by the Board of Directors upon recommendation by the Chair of the Board.

3. Scope of work

The Finance and Audit Committee shall cover the following:

- a) It shall review the annual financial statements (if necessary, by direct contact with the external auditor) for accuracy, consistency and compliance with sound disclosure requirements and it shall report to the Board on these matters;
- b) It shall review the organisation's financial processes, financial controls and resourcing of the finance function for effectiveness (if necessary, it may request opinion on this from the external auditor) and it shall report to the Board on these matters;
- c) It shall recommend the (re) appointment of the external auditor to the Board;
- d) It shall review TI-S budgets and cash flow projections prior to their submission to the Board of Directors, provide guidance to management with regard to the allocation of TI-S's financial resources, and, as appropriate, make proposals to the Board jointly with management or independently;
- e) It shall review with management plans and strategies for raising financial resources for TI-S and, as appropriate, make proposals to the Board, jointly with the management or independently;
- f) It shall review where TI-S's major risks lie and assess how management is dealing with them. It shall oversee the risk framework and related management reporting to the Committee regularly to ensure they are sound and effective.

4. Meetings

The Finance and Audit Committee meets quarterly at a minimum. Meetings shall be minuted and the minutes confirmed by the Committee at its following meeting. Action points and decisions shall be recorded in the minutes. The Committee has a quorum if the majority of its members are present at the meeting.

Executives and TI-S Staff may be requested to attend or may request to attend this committee. Attendance is only at the invitation of the Committee Chair.

5. Decision-making

The Finance and Audit Committee aspires to make consensus decisions. In cases where it cannot reach consensus, a majority decision takes place. Members holding a minority view may attach a dissenting opinion to the Finance and Audit Committee decision.

6. Role of the Chair

The Chair is responsible for:

- a) Liaising with the Chair of the Board and the committee Secretary;
- b) Developing an annual workplan for the committee and facilitating its execution;
- c) Chairing meetings of the Committee;
- d) Distributing work among the committee members and the Secretary;
- e) Reporting the activities and outputs of the committee in Board meetings, the Annual Report of the Board of Directors, the Board townhall and communications and at the Annual Membership Meeting.