

Community Broadcasting Foundation

Finance, Audit and Risk Management (FARM) Committee Charter

Created	16 August 2019
Approval Authority	CBF Board
Advisory Committee	Finance, Audit and Risk Management Committee
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1. INTRODUCTION

The purpose of this charter is to document the objectives, responsibilities and governance framework for the operation of the Finance, Audit and Risk Management (FARM) Committee (**Committee**) which is a sub-committee of the Board of the Community Broadcasting Foundation Limited (**CBF**).

2. OBJECTIVES

The objectives of the Committee are to assist the CBF Board to discharge its corporate governance responsibilities to exercise due care, diligence and skill in relation to any and all CBF finance and audit requirements and overall risk management including oversight of the design, quality, effectiveness and integrity of the CBF's audit and risk management strategy.

3. DUTIES AND RESPONSIBILITIES

- (a) The Committee considers any matters necessary in order to fulfil its objectives and makes recommendations to the CBF Board. The Committee also examines any other matters referred to it by the CBF Board.
- (b) The main duties and responsibilities of the Committee are to:
 - (i) Oversee the annual financial audit and liaise with appointed auditors to ensure delivery of the annual accounts
 - (ii) Oversee the development and submission of the annual Operating budget
 - (iii) Via monthly meetings of the Finance Manager and Treasurer, monitor and address any financial management issues as they arise, reporting to the CBF Board as required
 - (iv) Manage and evaluate the need for any additional auditing requirements, as necessary
 - (v) Develop and review annually the risk management strategy, the Risk Management Plan, and the Risk Register
 - (vi) Monitor and review the adequacy and currency of the CBF's policies, and refer policies to the Board for decision where significant change has been required which is material
 - (vii) Monitor the adequacy and effectiveness of the CBF's risk management processes; and
 - (viii) Monitor and make recommendations to the CBF Board regarding the CBF's emerging and material risks including the CBF budget or strategy, or other particular risks or risk management practices including mitigation of such risks.
- (c) For the purposes of ensuring risks are adequately monitored, the Committee will have oversight of, and review the regular risk monitoring of:
 - (i) Compliance incidents
 - (ii) Operational incidents
 - (iii) Complaints
 - (iv) Work, Health and Safety (WHS) matters
 - (v) Legal matters; and
 - (vi) Whistleblower matters.

4. COMPOSITION AND MEETINGS

4.1 Membership of the Committee

- (a) The Committee is appointed by the Board and comprises:
 - I. an independent Chair;
 - II. up to two (2) CBF Board members, one of whom will be the Treasurer; and
 - III. up to three (3) CBF staff members including the Chief Executive Officer.
- (b) A quorum of the Committee is a majority of members of the Committee which must include one (1) CBF Board member.
- (c) All CBF Board members can attend the Committee meetings and other members of management and advisors can also be invited to attend meetings as the Committee Chair thinks fit.
- (d) The secretary of the Committee is the Company Secretary, or other person nominated by the Committee Chair.
- (e) As per the CBF Constitution, the term limit for appointments to the Committee is three (3) years.

4.2 Meetings

- (a) Meetings of the Committee are held at least four (4) times per year. The Committee also meets at the request of the Board, any Committee member, the Chief Executive Officer or the Company Secretary as required.
- (b) Meetings can be held in person, by telephone or by video conference, or by any combination of these media.
- (c) The secretary, or other person nominated by the Committee Chair, takes minutes of the proceedings of all meetings of the Committee.

4.3 Authority

- (a) The Board has absolute authority over the Committee's findings and recommendations.
- (b) The Board delegates authority to the Committee, within the scope of its responsibilities, to:
 - (i) Obtain any information it requires from any employee or external party, including interviewing management and internal and external auditors (with or without management present)
 - (ii) Obtain outside legal or other independent professional advice; and
 - (iii) Facilitate the attendance at Committee meetings of external parties with relevant experience and expertise.

4.4 Board Reporting

The Committee Chair reports to the Board after each meeting of the Committee. The report must cover the findings and recommendations of the Committee. The minutes of all Committee meetings will be made available to the Board on request.

4.5 Review of Charter, Committee Composition and Committee Performance

- (a) The Committee will at least annually review its composition and Charter and recommend any changes to the Board.
- (b) The Board will at least annually review the composition of the Committee and the Committee Charter.
- (c) The Committee will at least annually review its performance as a Committee.

5. DEFINITIONS

- (a) The Risk Management Plan describes the CBF's risk management policy and processes.
- (b) The Risk Register is a document which summarises all aspects of the CBF's response to risk management and details relevant risks, provides each risk with a rating and priority and outlines risk treatment strategies and actions and reporting requirements.