



# Risk and Audit Committee Terms of Reference

<b>Title:</b>	Risk and Audit Committee Terms of Reference
<b>Approved by:</b>	QCN Fibre Board
<b>Responsible lead:</b>	Corporate Services Manager
<b>Audience:</b>	All QCN Fibre
<b>Brief description:</b>	Sets out the key functions, responsibilities, composition and meeting requirements of the Committee
<b>Periodicity of review:</b>	Annually
<b>Approved:</b>	December 2019

## Version History

Version	Date	Section(s)	Summary of Amendment

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## 1 Role

QCN Fibre's Risk and Audit Committee (the Committee) is an advisory body established to assist the Board in fulfilling its corporate governance responsibilities in regard to the:

1. appropriateness and effectiveness of QCN Fibre's risk management policy and procedure;
2. oversight of risk and risk management, and carriage of those risks specifically attributed to the Committee (as outlined in Appendix A);
3. oversight of internal control processes and the integrity of operations;
4. oversight of the integrity of the financial statements and associated year-end and interim processes;
5. oversight of QCN Fibre's compliance with Powerlink Queensland's board approved financial policies and procedures as per the *Code of Practice for Government Owned Corporation's Financial Arrangements*;
6. appropriateness of QCN Fibre insurance program;
7. oversight of statutory and legal compliance; and
8. adequacy and effectiveness of audit activities (internal for QCN Fibre, external via Powerlink Queensland in consolidation).

## 2 Authority

The Board can delegate its powers to its committees or the Chief Executive, and can authorise any further delegations of authority by the Chief Executive to other employees of QCN Fibre, as appropriate. The Board authorises the Committee, within the scope of its responsibilities, to:

1. examine any matter in relation to its responsibilities as it sees fit or as requested by the Board
2. engage external resources if, necessary, to obtain independent advice in relation to Committee matters;
3. have access to, and seek information from, any QCN Fibre staff member in order to carry out the Committee's responsibilities; and
4. have access to internal and external auditors without management present.

The Queensland Auditor-General holds the statutory appointment as external auditor of Powerlink Queensland (which includes QCN Fibre) and is responsible for reporting independently to Parliament on that official statutory obligation. The Queensland Audit Office enables the Auditor-General to fulfil this role by providing financial audit services to both Parliament and the public sector on behalf of the Auditor-General.

## 3 Functions

The role of the Committee is to:

1. oversee and report to the Board on risk and audit strategies for the organisation;
2. review and make recommendations to the Board on:
  - a. the organisation-wide risk management policies and procedures (see Appendix B)
  - b. QCN Fibre's risk appetite and risk tolerance for material risks overseen by the Committee;
3. oversee and report to the Board on compliance with relevant legal, tax, statutory and regulatory obligations, including those obligations under Powerlink Queensland's policies that are required under the *Code of Practice for Government Owned Corporation's Financial Arrangements*;

4. review and make recommendations to the Board on the:
  - a. annual Internal Audit Plan and scope
  - b. appointment of the internal auditor, including the terms and conditions of appointment;
5. oversee and report to the Board on:
  - a. liaison with the external auditor to support Powerlink Queensland for the annual audit process and fees
  - b. the reports and recommendations of external audits, where it impacts and/or relates to QCN Fibre, and the implementation of these recommendations;
6. review and endorse the annual insurance requirements for QCN Fibre; and
7. undertake any task assigned to the Committee by the Board.

## 4 Membership and Meetings

### 4.1 Appointment

The Committee is appointed by the Board and will comprise three Board members with the Committee Chair also determined by the Board. Board members who are not members of the Committee may attend meetings of the Committee. A quorum will be a minimum of two Committee members for meeting and decision making purposes.

At least every two years, the Committee will review its membership, and having considered the length of service of the members, the development of Director skills and any other relevant considerations, recommend to the Board the preferred ongoing membership of the Committee.

A member may resign by signed notice given to the Committee Chair who will advise the Board. Alternatively, a member may resign directly to the Chair of the Board.

### 4.2 Secretarial

The QCN Fibre Company Secretary (or delegate) shall be the Committee Secretary and circulate the agenda supported by explanatory documents to the Committee members prior to each meeting.

The Secretary will also be responsible for recording and keeping the minutes of the Committee, and circulating them to Committee members, with those minutes to be tabled and confirmed at the next Committee meeting as well as the timely tabling of all correspondence, reports and other information relevant to the Committee's activities and operations.

### 4.3 Attendance

The Chief Executive shall have a standing invitation to attend all Committee meetings. Other staff may be requested to attend Committee meetings to discuss or report on particular agenda items.

The Committee may determine from time to time, that it is appropriate to conduct meetings privately. The Committee may decide to exclude some or all non-committee members from any meeting or part of a meeting.

### 4.4 Frequency

The Committee shall meet at least three times each year and may meet more frequently as necessary. Committee papers, approved by the Chief Executive, should be circulated to Committee members at least five business days before each Committee meeting.

Additional meetings may be convened by any member giving reasonable notice to every other member. The Committee Chair will determine and approve the agenda for any additional meetings called.

## 4.5 Use of technology

A Committee meeting may be convened using any technology, such as video or telephone conference. A Committee member is considered present for a meeting whether in person or through the use of technology.

## 4.6 Out-of-session recommendations

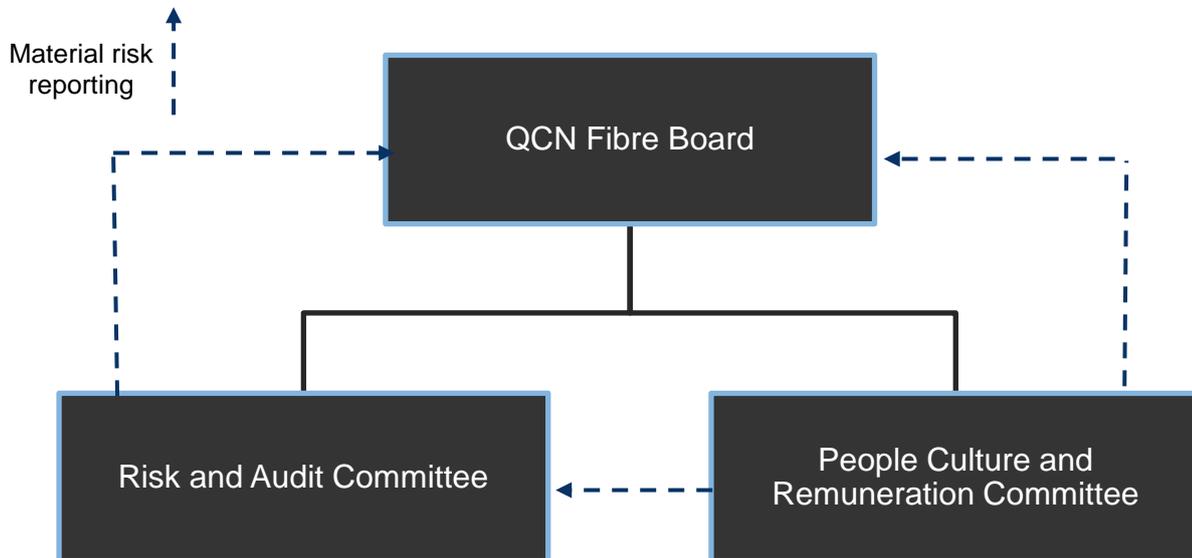
At the discretion of the Committee Chair, recommendations may be made without a Committee meeting. Separate copies of a document may be used for approvals by members.

# 5 Reporting and Self-Assessment

The Committee is accountable to the Board and will report on its meetings to the Board with recommendations of the Committee to be referred to the Board for approval.

As soon as practicable after the end of the financial year, the Committee shall provide to the Board, a summary of its activities in relation to the functions of the Committee, meetings held and attendance at meetings by Committee members. The Committee will also review the Terms of Reference annually.

## Appendix A: Oversight of material risks



## Appendix B: Key policy approvals

Policy	Owner	Review and make recommendations to the Board
<b>Authorisations Policy</b>	Board	RAC
<b>Code of Conduct</b>	Board	RAC
<b>RAC Charter</b>	Board	RAC
<b>Risk Management Policy</b>	Board	RAC
<b>Risk Management Procedure</b>	Board	RAC
<b>Business Continuity Framework</b>	Board	RAC