

Aboriginal Investment NT

Audit and Risk Committee Charter

Approved: October 2025

1. Introduction

Aboriginal Investment NT is established by the *Aboriginal Land Rights (Northern Territory) Act 1976* (ALRA) and is a corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). The accountable authority for the Aboriginal Investment NT is the Board.

The Board is required under the PGPA Act to have an audit committee.¹ The *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule) sets out requirements for audit committees.² The ALRA also specifies an additional membership requirement.³

This Audit and Risk Committee Charter is approved by the Board for the purposes of the PGPA Rule, which states that the Board must determine the functions of the audit committee by written charter,⁴ and that details relating to the audit committee must be made available in the annual report.⁵

2. Role and Authority

The enabling legislation for the Aboriginal Investment NT is the ALRA. The Aboriginal Investment NT Audit and Risk Committee (the AR Committee) is a committee of the Aboriginal Investment NT Board.⁶ The ALRA provides that Aboriginal Investment NT committee members are 'officials' for the purposes of the PGPA Act.⁷ This brings obligations to act in accordance with the duties of officials set out in

¹ PGPA Act, s 45(1).

² PGPA Act, s 45(2).

³ ALRA, s 65FB.

⁴ PGPA Rule, s 17(1).

⁵ PGPA Rule s 17AG(2A) and ss 17BE.

⁶ ALRA, s 65F provides that the Board can establish committees to advise or assist in the performance of the Aboriginal Investment NT's or the Board's functions.

⁷ ALRA, s 65FD.

the PGPA Act, including to act with due care and diligence, to act honestly and in good faith, not to use the position to gain a benefit, and to declare any conflicts of interest.⁸

The AR Committee's role is to provide independent advice, assurance and support to the Board to meet its duties and obligations and ensure best practice corporate governance, including by reviewing the appropriateness of financial and performance reporting and systems of risk oversight and management and internal control.⁹ Drawing on its skills and experience, the AR Committee will review information provided to it by internal audit and Aboriginal Investment NT's management. In order to understand and review Aboriginal Investment NT's processes and systems, the AR Committee will also actively pursue information from relevant areas of Aboriginal Investment NT. The AR Committee will engage with management in a constructive and professional manner in discharging its functions and formulating its advice, while maintaining independence.

The Board of Aboriginal Investment NT authorises the AR Committee, within the scope of its functions, to:

- obtain any information it needs from any employee or external party (subject to confidentiality, secrecy and privacy obligations)
- discuss any matters with the Australian National Audit Office (ANAO), representatives of the internal audit function or as reasonably necessary, other external parties (subject to confidentiality, secrecy and privacy obligations)
- recommend the engagement of external consultants to provide advice to Aboriginal Investment NT on anything within the Committee's remit
- request the attendance of a Board Member or any Aboriginal Investment NT employee (including the CEO) at AR Committee meetings, and
- seek external legal or other professional advice for the benefit of the Committee. If such advice is required, the AR Committee Chair will seek approval from the Aboriginal Investment NT Board Chair. After discussing with the CEO, the Board Chair may approve the procurement of such advice under the Aboriginal Investment NT Board Governance Charter (section 9) as is necessary to permit the AR Committee to discharge its functions. If approved the advice would be provided at Aboriginal Investment NT's expense.

3. Committee Functions and deliverables

This Charter sets out the functions of the AR Committee,¹⁰ and the deliverables expected by the Board in relation to each function.

⁸ PGPA, s 25 to s 29.

⁹ PGPA Rule, s 17; Department of Finance, 'A guide for corporate Commonwealth entities on the role of audit committees' (March 2020), 5.

¹⁰ In compliance with PGPA Rule, s 17.

3.1 Financial Reporting

The AR Committee is to review and provide advice on the appropriateness¹¹ of Aboriginal Investment NT's financial reporting, including in relation to:

- Aboriginal Investment NT's financial statements
- information (other than Annual Financial Statements) requested by the Department of Finance in preparing the Australian Government's consolidated financial statements, including the supplementary reporting package
- compliance with the mandatory requirements of the PGPA Act, PGPA Rules, the Accounting Standards and supporting guidance
- management's processes and systems for preparing financial reports
- financial record keeping
- processes in place to allow Aboriginal Investment NT to stay informed throughout the year of any changes or additional requirements in relation to financial reporting.

Deliverable

The AR Committee is to provide an annual written statement to the Board addressing:

whether the Annual Financial Statements (and any additional information required by the Department of Finance) in the AR Committee's view, comply with the PGPA Act, the PGPA Rules, the relevant Accounting Standards and supporting guidance;¹²

whether the Annual Financial Statements have, in the AR Committee's view, been prepared on the basis of properly maintained financial records;¹³

the appropriateness of the Aboriginal Investment NT's financial reporting as a whole, with reference to any specific areas of concern or recommendations for improvement.

3.2 Performance Reporting

The AR Committee is to review and provide advice on the appropriateness of Aboriginal Investment NT's systems, frameworks, and procedures for assessing, monitoring and reporting on achievement of Aboriginal Investment NT's performance, and the completeness and appropriateness of performance reporting.

¹¹ For the purposes of this Charter, the PGPA Act and the PGPA Rule, 'appropriateness' is taken to mean 'suitable or fitting for a particular purpose – see Department of Finance, 'A guide for corporate Commonwealth entities on the role of audit committees' (March 2020), 8.

¹² Rule 10(a) of the *PGPA (Financial Reporting) Rule 2015* requires that the accountable authority (the Board) certifies that the annual financial statements comply with s 42(2) PGPA Act and that they have been prepared on the basis of properly maintained financial records and other requirements (PGPA (Financial Reporting) Rule 2015, r 10(b) – 10(e)).

¹³ PGPA Act, s 41(2).

In particular, the AR Committee is to satisfy itself that:

- Aboriginal Investment NT's Corporate Plan and Portfolio Budget Statements contain appropriate details of how Aboriginal Investment NT's performance will be assessed and measured
- Aboriginal Investment NT's Corporate Plan is appropriately aligned with Aboriginal Investment NT's Strategic Investment Plan
- Aboriginal Investment NT's reported performance information is relevant, reliable and complete
- Aboriginal Investment NT's approach to measuring its performance throughout the financial year against the performance measures included in its Portfolio Budget statements and Corporate Plan is appropriate and in accordance with the *Commonwealth Performance Framework*¹⁴
- Aboriginal Investment NT has appropriate systems and processes for preparation of its Annual Performance Statement and inclusion of the Annual Performance Statement in its Annual Report, and
- The Annual Performance Statement is appropriate and complete.

Deliverable

The AR Committee is to provide an annual written statement to the Board addressing the appropriateness to Aboriginal Investment NT of:

- Aboriginal Investment NT's Annual Performance Statements, and
- Aboriginal Investment NT's performance reporting as a whole, with reference to any areas of concern or suggestions for improvement.

3.3 Performance Outcomes

The AR Committee is to review Aboriginal Investment NT's performance against:

- the performance criteria and targets set out in its current budget estimates and Corporate Plan
- the risk tolerance indicators set out in the Risk Appetite Statement in accordance with the Risk Management Policy Framework

Deliverable

The AR Committee is to advise the Board of significant performance trends and risks as appropriate.

¹⁴ See [Commonwealth Performance Framework | Department of Finance](#)

3.4 Risk oversight and management

The AR Committee is to review and provide advice on the appropriateness of Aboriginal Investment NT's:

- Risk Management Policy Framework (policies and procedures), including the identification of risk tolerance indicators
- internal controls for the effective identification and management of the entity's risks, and adherence to Aboriginal Investment NT's Risk Management Policy Framework
- Approach to managing key risks – including those associated with investments and grants management
- Process for developing and implementing Aboriginal Investment NT's fraud control arrangements consistent with the fraud control framework, and satisfy itself that the Aboriginal Investment NT has adequate processes for detecting, capturing and effectively responding to fraud risks
- Articulation of key roles and responsibilities relating to risk management and adherence to them by Aboriginal Investment NT officials.

Deliverable

An annual written statement to the board addressing the appropriateness of Aboriginal Investment NT's system of risk oversight and management and any specific areas of concern or recommendations for improvement.

3.5 System of internal control

The AR Committee is to review and provide advice on the appropriateness of Aboriginal Investment NT's:

- **Internal control framework**, including reviewing whether management has appropriate policies and procedures in place, and whether there are appropriate processes in place for assessing whether key policies and procedures are complied with.
- **Legislative and policy compliance**, including reviewing the effectiveness of systems for monitoring Aboriginal Investment NT's compliance with relevant laws, regulations and associated government policies, and determining whether management has adequately considered legal and compliance risks in Aboriginal Investment NT's risk management framework, fraud control framework and planning.
- **Security compliance**, including reviewing management's approach to maintaining an effective internal security system, and satisfying itself that management periodically reviews the adequacy of its information security arrangements.
- **Internal audit coverage**, including:
 - reviewing the proposed internal audit plan and budget, ensuring that the internal audit plan takes into account Aboriginal Investment NT's primary risks;

- reviewing all internal audit reports and providing advice to the board on major concerns identified in those reports;
- identifying and disseminating information on good practice;
- monitoring management's compliance with internal audit findings; and
- approving and periodically reviewing an Internal Audit Charter.

Deliverable

The AR Committee is to provide an annual written statement to the Board addressing the appropriateness of Aboriginal Investment NT's system of internal control, with reference to any specific areas of concern or recommendations for improvement.

3.6 Oversight of subsidiaries

The AR Committee is to review and provide advice on the appropriateness of Aboriginal Investment NT's oversight of any subsidiaries and group corporate governance arrangements.

3.7 Business continuity

The AR Committee should satisfy itself that Aboriginal Investment NT has taken an appropriate approach in establishing business continuity planning arrangements, including whether business continuity and disaster recovery plans have been periodically updated and tested.

3.8 Ethical and lawful conduct

The AR Committee should satisfy itself that Aboriginal Investment NT has taken steps to embed a culture that promotes the proper use and management of public resources and is committed to ethical and lawful conduct.

3.9 External reviews, reports and evaluations

The AR Committee should satisfy itself that Aboriginal Investment NT has appropriate mechanisms for reviewing relevant external reports, external reviews and evaluations of the Aboriginal Investment NT and, where appropriate, implementing any recommendations.

3.10 Other functions

The AR Committee will undertake such other activities and functions as determined by the Board from time to time.

4. ANAO and Internal Audit attendance

ANAO and Internal Audit representatives will be routinely invited to observe specified agenda items and present at AR Committee meetings to share information and gain insights into the Aboriginal Investment NT's operations, including:

- the development of audit work plans
- providing information about the progress and outcomes of the audit by the ANAO of Aboriginal Investment NT's Annual Financial Statements and Annual Performance Statement
- management's response to internal and external audit recommendations
- providing advice to the AR Committee about any significant issues arising from audits.

5. Reporting

The AR Committee is to provide regular, written updates to the Board on its activities, including any matter requested by the Board Chair. In addition, the AR Committee will provide an annual report for the previous twelve month period at a date to be determined by the Board. This annual report will outline key activities taken by the AR Committee to fulfil its functions, and set out the annual attendance record of AR Committee members.

6. Conflicts of interest

All members of the AR Committee must comply with the PGPA Act, PGPA Rule 2014 and the Board's instructions in relation to conflicts of interest. The procedures that apply are set out in the Board's Governance Charter, Conflicts of Interest Policy, the Board and Committee Code of Conduct and any other instructions given by the Board from time to time.

Disclosing a material personal interest

Where an AR Committee member has a material personal interest that relates to the affairs of Aboriginal Investment NT (Disclosing Member):

- The Disclosing Member must disclose the interest to each other member of the AR Committee, including detailing the nature and extent of the interest and how the interest relates to the affairs of Aboriginal Investment NT
- The Disclosing Member must make the disclosure at a meeting of the AR Committee as soon as practicable after becoming aware of the interest. If there is any change in the nature or extent of the interest after disclosure, then the Disclosing Member must make a further disclosure as to the change in nature and extent of the interest, as soon as practicable after becoming aware of the change
- The Disclosing Member must ensure each disclosure is recorded in the minutes of the meeting

Procedure for when AR Committee is considering a matter subject to material personal interest disclosure

If a matter in which a Committee member has disclosed a material personal interest is being considered by the AR Committee, then unless the non-Disclosing Members of the Committee determine otherwise, the Disclosing Member must not be present during any consideration by the AR Committee of the matter, nor vote on the matter.

The AR Committee may, in the absence of the Disclosing Member, determine that the Disclosing Member may be present during any consideration by the AR Committee of the matter and vote on the matter. The Disclosing Member must ensure that determination is recorded in the minutes.

Annual declarations

Each member of the AR Committee must, at least annually, provide written declarations of any material personal interests that actually, potentially or may be perceived to conflict with their AR Committee responsibilities. These will be listed on a Register of Interests.

7. AR Committee membership

7.1 Appointments

The AR Committee, including the AR Committee Chair, will be appointed by the Board.

7.2 Term

The Board will determine the term of members taking into account the need for both continuity and the need to periodically refresh the skills and expertise represented on the committee.

7.3 Composition

The AR Committee membership will comprise:

- at least three persons who have appropriate qualifications, knowledge, skills or experience to assist the AR Committee to perform its functions¹⁵
- one independent Board Member of the Aboriginal Investment NT Board (appointed under ALRA s 65ED(1))¹⁶

AR Committee members cannot be:

¹⁵ PGPA Rule, s 17(3).

¹⁶ ALRA, s 65FB.

- employees of the Aboriginal Investment NT¹⁷
- the Chair of the Board, the Chief Operating Officer or the CEO of the Aboriginal Investment NT.¹⁸

The CEO, Chief Risk Officer, the Chief Investment Officer, the Chief Operating Officer or any other senior staff member of the Aboriginal Investment NT may attend AR Committee meetings by invitation of the AR Committee, subject to the following conditions:

- they must immediately leave the meeting if requested by the Committee Chair
- they do not have a right to vote, and
- they keep the proceedings confidential unless otherwise resolved by the Committee.

7.4 Skills and qualifications

Collectively, AR Committee members should possess relevant technical skills, appropriate policy and subject matter knowledge, and a strong understanding of the Aboriginal Investment NT's operating context.¹⁹ The AR Committee must contain a combination of members who have appropriate qualifications, knowledge, skills or experience to enable the AR Committee to perform its functions.

Specific skills and experience are set out in the Skills Matrix at Appendix 7, approved by the Board and regularly reviewed. The Board may also set out an approach to the rotation of AR Committee members to ensure for a flow of skills and talent, balanced by the need to ensure continuity and the preservation of appropriate knowledge and experience on the AR Committee.²⁰

7.5 Role of the Chair

The Board will appoint the Chair of the AR Committee.²¹ The AR Committee Chair will:

- ensure the effective implementation of the AR Committee's agenda, work program and deliverables
- maintain effective relationships with the Board, senior management and other Committee members, including the Australian National Audit Office (ANAO)
- demonstrate leadership on AR Committee governance issues, including promoting adherence to the Board and Committee Code of Conduct, and
- lead AR Committee discussions and manage meetings in an efficient, effective and inclusive manner.²²

¹⁷ PGPA Rule, s17(4AA).

¹⁸ PGPA Rule, s 17(5).

¹⁹ Department of Finance, 'A guide for corporate Commonwealth entities on the role of audit committees' (March 2020), 22.

²⁰ Department of Finance, 'A guide for corporate Commonwealth entities on the role of audit committees' (March 2020), 22.

²¹ It is better practice that the Board appoints the Chair. See Department of Finance, 'A guide for corporate Commonwealth entities on the role of audit committees' (March 2020), 23.

²² Department of Finance, 'A guide for corporate Commonwealth entities on the role of audit committees' (March 2020), 23.

7.6 Attendance

Members are required to attend all meetings in full, excluding any items which may present a conflict of interest in accordance with clause 6 above. AR Committee member attendance will be monitored by the Committee Chair and reported to the Board annually.

7.7 Induction

The AR Committee Chair and the CEO are responsible for ensuring comprehensive induction process is delivered for AR Committee members.

7.8 Resignation of AR Committee Members

An AR Committee member may resign by giving written notice to the Committee Chair. A copy must also be given to the Board Chair. The resignation will take effect on the day it is received by Committee Chair, or at a later date specified in the written notice.

Outgoing AR Committee Members will be asked to undertake an exit survey and/or interview, to assist Aboriginal Investment NT with continuous improvements to governance processes and Committee management.

8. Conduct of the AR Committee

The Board and Committee Code of Conduct applies to members of the AR Committee. Alleged breaches of this Charter, the Board and Committee Code of Conduct, or AR Committee members' duties as Officials under the PGPA Act will be dealt with in accordance with the disciplinary process set out in section 7 of the Board and Committee Code of Conduct.

Committee members must comply with all Aboriginal Investment NT policies, to the extent they apply to the committee member.

9. Administrative arrangements

9.1 Meetings

The AR Committee will meet no less than four times per year and more frequently as the AR Committee Chair deems necessary. The time between meetings should not exceed four months.

The AR Committee may meet in person, by telephone or internet link, or other comparable technology as approved by the Committee Chair. The Committee Chair may call a private "in-camera" meeting for attendance by Committee members only, or inclusive of invited guests as required.

9.2 Quorum

At least half of all AR Committee members must be present at a meeting for a quorum to be attained.

9.3. Resolutions

Resolutions are passed by the majority of AR Committee members present at a meeting and entitled to vote at a meeting. The Committee Chair does not have a casting vote.

9.4. Out of session decisions

The AR Committee may make decisions out of session by a process of circulating resolutions. Circulating resolutions must be passed by all AR Committee members entitled to vote on the matter. Approval of a circulating resolution may be evidenced by an email containing the AR Committee member's approval of the resolution.

The AR Committee may determine, in writing, other rules or procedures for out of session decision making.

9.5. Annual work plan

The AR Committee will prepare an annual work plan and meeting schedule that outlines the activities to be undertaken to fulfil its functions.

9.6. Secretariat

The Aboriginal Investment NT CEO will ensure adequate resources are allocated to performing the Secretariat function for the AR Committee.

9.7. Meeting agenda and papers

The Secretariat will prepare the agenda for each AR Committee meeting in consultation with the Committee Chair and the CEO, having regard to the annual work plan. Agendas are to be circulated to the AR Committee sufficiently in advance of each meeting.

All papers presented to the AR Committee require the prior approval of the CEO. Electronic copies of papers will be circulated to AR Committee members at least four working days in advance of the scheduled meeting, or otherwise as soon as possible.

9.8. Minutes

The AR Committee will consider and verify minutes at its next meeting. The Committee Chair is to sign verified minutes as soon as practicable after consideration by the AR Committee.

9.9. Travel

AR Committee members are required to comply with the travel arrangements for Board Members as set out in the Board Governance Charter section 10.

10. Remuneration

The Remuneration Tribunal will determine the remuneration of members of the AR Committee. In the absence of a determination the remuneration will be determined by the Minister in the Aboriginal Investment NT rules. AR Committee allowances will be prescribed in the Aboriginal Investment NT rules.

11. Review arrangements

The AR Committee will review this Charter annually and forward any proposed amendments for the consideration of the Board. The AR Committee will review its performance every two years, and this review may be conducted internally or externally.

Resources

[Model-charter-for-audit-committees.pdf \(finance.gov.au\)](#)

[A guide for CCEs on the role of audit committees_0.pdf \(finance.gov.au\)](#)

PGPA rule: [Public Governance, Performance and Accountability Rule 2014 \(legislation.gov.au\)](#)