**Risk Management Strategy**

### Introduction

The Book Café Group (BCG) recognises that risk management is an essential component of good management practice and is committed to the proactive management of risks across the organisation. The strategy is designed to:

* Identify, evaluate, control and manage risks
* Ensure potential threats and opportunities are identified and managed
* Inform the Board, senior management and staff members about their roles, responsibilities and reporting procedures with regards to risk management
* Ensure risk management is an integral part of planning at all levels of the organisation.

### Guiding Principles

* BCG is committed to achieving its vision, business objectives and quality objectives by the proactive management of risk at all levels of the organisation*,* acknowledging that embracing innovative ideas and practices carries with it risks, but that these are identifiable and measurable and therefore capable of being subject to realistic risk mitigation processes.

### Responsibility and Authority

* The Board has responsibility for ensuring that risk management is in place.
* The Finance, Audit and Risk Management (FARM) Committee has the responsibility of reviewing the Risk Management Action Plan on a six-monthly basis.
* The CEO and the senior management team have responsibility for managing risk and advising the Board on appropriate controls.
* The CEO and the senior management team support and implement policies approved by the Board
* Key risk indicators will be identified*,* closely monitored and action taken where necessary*,* by the staff and Board.

### BCG Risk Management Framework

This framework encompasses a number of elements that together facilitate an effective and efficient operation, enabling BCG to respond to a variety of operational, financial, commercial and strategic risks. These elements include:

* Policies and procedures: A series of policies underpin the internal control process.
* Reporting: Decisions to rectify problems are made at regular meetings of the senior management team.
* Business planning and budgeting: The business planning and budgeting process is used to set objectives, agree on action plans and allocate resources. Progress towards meeting business plan objectives is monitored regularly by the senior management team and by directors at Board meetings. Contingency planning is undertaken as required.
* Risk management review: The FARM Committee is required to report at Board meetings on internal controls.
* CEO: The CEO has responsibility to brief the Board periodically and as appropriate on the development of policies and procedures to ensure effective and efficient operations, risk management strategies and implementation.
* External audit: The final audit of financial statements is controlled by an external chartered accountant who provides feedback to the Board through the FARM Committee.

### Definitions

Risks are identified on a scale of likelihood of occurring in the next 12 months and assigning an impact or consequence to the risk as high, medium or low. High includes either a significant shortfall of around 40% in achieving budget or a significant reduction in ability to function. Medium includes either a shortfall of budget of between 10% and 20% or some reduction in function. Low indicates minor reductions in achieving budget or minimal reduction in performance.

**Supporting Documents**

* Work Health and Safety Policy
* Local Government Regulations
* Work Health and Safety Act 2011 (Cth)
* Business Continuity Policy
* Financial Accountability Act 2009 (QLD) Part 4, Section 61 (b)
* Financial and Performance Management Standard 2009 (QLD) Division 4, Section 28
* Australian/NZ Standard ISO 310000:2018 Risk Management - Principles and Guidelines
* BCG Strategic plan
* BCG Risk Management Strategy

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| Authorised by: | Jim Murphy CEO | Signature: | *Jim Murphy* | Date: | 22/03/2x |
| Review due: | 22/03/2x | Signature |  | Date: |  |
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