

1. Audit Committee Recommendations to Council

This “yellow paper” is a summary of the Recommendations made at the Audit Committee meeting on 21 October 2020. During its deliberations, Council will consider the Recommendations in Submission order, i.e. 001-20 to 100-19.

2020 Submissions

001-20 Audit Committee Improvements - Broadening Membership in the Audit Committee to enhance oversight

Reporting Committee: Audit

Other Committee: Board, Constitution

Recommendation to Council: Reject

The role of the Audit Committee (“the Committee”) is to provide assurance to the Board that appropriate financial reporting and internal control processes are in place and to monitor those processes. In addition, the Committee recommends to the Board the appointment, tenure and remuneration of the external auditor and also has a duty to review compliance with various financial, statutory and regulatory requirements. The Board may request the Committee to supervise any special investigations relevant to the Committee’s role and responsibilities or to examine any other matters referred to it by the Board.

In summary our role is one of a watchdog to oversee financial reporting and regulatory compliance. It is not the role of the Committee to advise on the financial management of World Sailing or to be involved in the management of the organisation’s finances.

Due to the nature of the Committee’s work, we work closely for, and report to, the Board. It would be inappropriate for the Committee to undertake investigations or other inquiries not commissioned by the Board.

The Committee recommends rejection of this submission and instead supports the Board’s proposal to put forward the following changes to the Committee:

- a) The Audit Committee shall consist of three members, who should have expertise in financial management and reporting and risk management.
- b) One member shall be a Board member.
- c) Two members, including the Chair shall be independent members (i.e. not a Board member nor a member of staff).
- d) All three members shall be appointed by Council on the recommendation of the Board.
- e) The Committee shall continue to report to the Board, and also to Council and each Annual General Meeting.

002-20 Financial Transparency - A Council Policy Regarding World Sailing Financial Transparency

Reporting Committee: Board

Other Committee: Audit

Opinion: No opinion

007-20 **Treasurer for World Sailing - Appointment of a Treasurer**
Reporting Committee: Board
Other Committee: Audit
Opinion: No opinion

Authenticated by email on 23 October 2020

Phil Cotton
Chair