

13 November 2022, Cape Town (RSA)

<b>Committee name</b>	<b>Audit &amp; Compliance</b>
<b>Date</b>	13 November 2022
<b>Chair</b>	Janice Shardlow (GBR)

<b>Committee Report</b>	
<b>Pt.</b>	<b>Subject</b>
<b>1.</b>	<b>Introduction</b>
	<p>The Committee was pleased to be able to reinstate in-person meetings this year and met twice in Lausanne, in May and September. It also engaged both via email and video conference on specific issues during the year as and when required.</p> <p>Our focus at the meetings was to undertake our direct oversight responsibilities for internal control, internal audit, and the external Auditors, and to assess compliance with the Statutes, Internal Regulations, and Policies and Procedures.</p>
<b>2.</b>	<b>Work Carried Out</b>
	<p>At our first meeting in May we met with the External Auditors (PWC) who presented to the Committee the Report of the Statutory Auditor on the 2021 Financial Statements and the Detailed Report to the Secretary General and the Audit Committee. We took the opportunity to raise queries and to discuss key issues in detail. We also met with the President and the Finance, Governance, Human Resources, Communications and Education departments and with the leadership of Dressage Para dressage, &amp; Vaulting, and Jumping. In our September meeting we met with the Secretary General, the disciplines of Endurance and Eventing, the Finance, Governance, IT, Legal, Commercial, Games and Solidarity departments.</p>
<b>3.</b>	<b>Findings</b>
	<p>2021- 2022 was in some ways a recovery year as the challenges of Covid and the EHV virus gradually receded. However external factors including the Russia/Ukraine situation and the developing cost of living crisis began to create additional challenges towards the end of this period and it is likely that these will only increase over the next year.</p> <p>The Committee was once again impressed with the financially prudent strategy which the FEI continues to adopt and noted that the External Auditors once more highlighted their satisfaction with the quality of the information supplied to them.</p> <p>Directors in reflecting on the future continue to demonstrate a keen awareness of the challenges to FEI activities and to the equestrian sporting sphere in general. The FEI's organisational culture of service provider to the National Federations remains strong and the commitment to compliance with its Statutes, Regulations and Policies and Procedures continues to be maintained.</p> <p>The challenges to date have been mitigated to an extent by conservative financial management, a careful approach to managing future risk and the willingness of both Headquarters, the National Federations and the equestrian sporting community to accept and adapt to change. The future-proofing of our industry is increasingly a focus of attention. The ACC is fully supportive of this approach and continues to work to support an increasingly refined approach to risk management.</p>

<b>4.</b>	<b>Conclusions</b>
	There is no doubt that we are operating in difficult times, and it seems likely that this situation will continue for some time. However we are confident that the strengths we identified during our review provide the organisation with a solid base on which to meet these challenges.