

23 November 2020

Audit and Compliance Committee

Date 15-17 September 2020

Chair Brian Mangan

Committee Report

INTRODUCTION

Due to the Covid19 pandemic the Committee was unable to meet in person in Lausanne this year. However, by video conference, we engaged with Headquarters over three days in September. Our main focus was the FEI's response to the challenges of the Corona virus and in that regard by attending all the Board Meetings during the year I was able to observe the progress in dealing with the many issues that arose.

WORK CARRIED OUT

We reviewed the Financial Statements for 2019 which were prepared by the Finance Department and audited by the External Auditors before the end of February. Also reviewed were the financial forecast produced by the CFO when the pandemic arose and the many decisions made by the Board with the guidance of this information.

During our video conference in September we spoke to the Department Heads individually and also had discussions with the President, the Secretary General, the Chief Financial Officer and the External Auditors. We also noted the further progress made by the FEI in the ASOIF's third review of international federation governance.

FINDINGS

The External Auditors were very satisfied with the quality of the information supplied to them. They also commented very favourably on the financial strength of the FEI in relation to the current situation. The Department Heads were all addressing the changes in their patterns of work with some more stretched than others. Dealing with the Calendar Task Forces and the Return to Play Protocols in particular were challenging. HR and Finance have worked with the Departments to maximise where appropriate the benefit of government employment support schemes and the CFO examined all possible cost reductions with the President and Secretary General. The organisation's strong IT systems continue to support the work of the FEI.

In the short term development will slow in many areas but efforts to grow sustainable revenue are very focussed. Working with sponsors and preparation for the Olympics in 2021 continue to receive close attention. The Board has been very supportive of the Headquarters' response to the difficulties that have arisen with many extra meetings while

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maintaining strict adherence to the statutes. The FEI's position in the top tier of international sports federations in governance is a result of good structures, good processes and above all good people. The actions and behaviour of people within an organisation plays a large role in how it operates in practice.

CONCLUSIONS

The future will be very challenging but the strengths we identified during our review should give the organisation the best chance of dealing with what it has to face with a focus on long-term viability. The education of officials and support for member federations remain important. The FEI's organisational culture of compliance with its statutes, regulations and the law has been maintained during a difficult year.

Governance is a continually evolving concept. Future challenges will include Continental and National Federation governance and gender and geographical representation at all levels. Compliance is not just investigation but a conversation to better understand management thinking on how to progress the sustainable wellness of the organisation.

I would like to thank, on behalf of the Committee, all the management and staff at Headquarters for their support during our work and to send best wishes to my successor.