

Report of the Audit Committee (“the Committee”) to Council

29th October 2022

Midyear update

At our mid-year meeting on 27th May 2022 the Committee reported that, following the Committee’s recommendation, the Annual Financial Statements had been approved and signed by the Board on 9th May 2022. In addition, the Committee had recommended the reappointment of Haysmacintyre as the Independent Auditor for all World Sailing group companies for the year ending 31st December 2022.

Activities of the Committee since May 2022

1. Treasury Management

As presented to Council at the 2022 Mid-Year meeting, the Committee recommended the appointment of an Investment Management organisation to provide independent professional advice on the proactive management of World Sailing’s cash resources including foreign currency exchange advice. Hottinger Group, an International Wealth Management Company have been selected as the chosen advisor to World Sailing and their formal engagement is underway.

2. Risk Management

The Committee recommends that the Board adopt a more proactive and comprehensive policy towards risk management and on 22nd October 2022, the Committee presented to the Board on a proposed Risk Management Framework, a Risk Appetite Statement and a revised Risk Register. The Board unanimously agreed to take this proposal forward with workshops for management, the Board and the Committee scheduled for late 2022/early 2023 with full adoption in Q1 2023.

3. IT developments and Risks including Cyber Risk

Work continues to develop World Sailing’s website with ongoing support from Sotic Limited. The Committee has been assured that the necessary firewalls and other cyber threat security measures are in place. It was agreed with management that once the website project is complete, penetration testing and other cyber security testing will be undertaken. In the meantime, our external auditors will be asked to specifically consider and report on IT controls during their forthcoming annual audit.

4. Ongoing Audit Committee Business

The Committee met on 22nd October 2022 and, in addition to the above matters, discussed various standing agenda items including:

- A review of the key contracts and terms thereof for all new contracts entered into by World Sailing since May 2022.
- An update from the Head of Legal on the ongoing legal cases involving World Sailing

- A review of the Management Accounts to 30th September 2022, forecasts to 31st December 2022 and forecasts including cash flow projections through to 31st December 2024
- A review of the WS Investment Trust portfolio performance to 30th September 2022.

There are no matters of significance arising from these standing agenda items to bring to the attention of Council.

Phil Cotton
Independent Audit Committee Chair
22 October 2022