

## 2024 Sail Canada Audit Committee Report

**Date:** 10 October 2024

**Staff/Board Involvement:** Gen Manning  
Barbara Pike, Chair – Audit Committee

**Status (Action/Policy/Information):** Motion

**Number of Attachments:** 1

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The primary role of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities in such areas as the integrity of financial reporting, the effectiveness of the risk management framework, ensuring a system of internal controls, and consideration of ethics and compliance matters.

The past fiscal year has been a year of change for Sail Canada and sets the stage for its rejuvenation and renewal. As the Financial Statements indicate, it was also a costly year for the organization.

During the COVID years, spending within certain divisions increased aided by additional funding provided by Sport Canada. Unfortunately, last year such additional funding ceased, but spending continued on the accelerated rate. This was particularly evident in the last quarter leading up to the Olympics as invoices were received that had not gone through a pre-authorization process, but were still the responsibility of Sail Canada.

The Audit Committee held several meetings with the auditor, Doane Grant Thornton, to discuss and question the draft Financial Statements. Of particular concern was Note 2 to the Statements, *Going Concern Uncertainty*. As explained in the Note, the going concern basis assumes that the organization will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

The Audit Committee is satisfied that under its new management, Sail Canada has implemented measures to control and reduce expenditures going forward. It also recognizes that the organization may need more than a year to get back to break-even.

Going forward the Audit Committee will receive quarterly reports from the organization to ensure spending is within means and processes are in place to control unauthorized expenditures.

Respectfully submitted,



Barbara B. Pike, ICD.D