



# Audit Committee Report

prepared for the ICANN Meeting

São Paulo

7 December 2006



# ICANN Audit Committee

- Committee membership
  - Raimundo Beca
  - Susan Crawford
  - Joichi Ito
  - Veni Markovski
  - Peter Dengate Thrush
  - Njeri Rionge, Chair



# Audit Committee Report

- Independent Audit, fiscal year 2005-06
  - External audit was completed as planned
  - Audit field work commenced as planned on 14 August and was completed in only 3 weeks
  - Significant improvements in internal processes and monthly closing documentation allowed for timely completion of the audit
  - Moss Adams expressed a clean opinion of ICANN's financial statements in their final audit report, which has been posted to the ICANN website along with management's analysis of variances between the reported financial statements for the two fiscal years ending June 2006 and June 2005  
(see posting at: <http://www.icann.org/financials/fiscal-30jun06.htm>)

# Audit Committee Report

- Financial Controls – Corporate Officer Signing Authorities
  - Determined that increased signing authorization levels would improve the efficiency of handling day-to-day business operations
  - Recommended provisions that are reasonable in relation to other similar not-for-profit organizations based on size of the organization and total annual revenues, and provide appropriate financial control while regulating the related risk
  - Reviewed and provided input on draft of revised signing authorities for Board review and subsequent adoption (action taken in conjunction with the Board Finance Committee)
  - Final documents posted on ICANN's website:
    - Board resolution: <http://www.icann.org/minutes/resolutions-18oct06.htm>
    - Procedure: [http://www.icann.org/financials/finl\\_control-signing\\_authority.htm](http://www.icann.org/financials/finl_control-signing_authority.htm)