



# **AUDIT & GOVERNANCE COMMITTEE**

**REPORT TO THE  
BOARD OF DIRECTORS**

# Financial Management

- We reviewed the financial control systems that are in place and all appear to be in order.
- Monthly and year-end Financial Statements were reviewed to ensure that the reporting was accurate and no financial risks were evident.
- We have reviewed the results of the audited Financial Statements and recommend that the Board approve the audited statements presented by Grant Thornton.
- We recommend the Board appoint Grant Thornton as Standardbred Canada Auditors for fiscal year ending October 31, 2010. Fees will remain the same for the third consecutive year.

# Results of Board Self-Assessment November, 2009

- 17 of 26 attending Directors completed the form
- I would like to note the following:
  - There is a performance measurement process in place to measure Board effectiveness. The Board rating was 7.6 out of 10
  - Directors endeavour to direct the activities of the organization as a whole rather than in their own interest or that of any specific group. The Board rating was 7.9 out of 10
  - Directors are prepared for meeting having read pre-circulated material in advance of Board meetings. The Board rating was 7.7 out of 10

# Recommendations

- The following recommendations are presented to the Board for their consideration:
  - Standardbred Canada should have a three to five-year balanced budget.
  - The marketing objectives of the Strategic Plan are reconciled to the marketing expenses.
  - Board of Directors should meet a minimum of three times per year – late spring, early fall and January
  - Two Board members be appointed to the Audit & Governance Committee ex-officio and that these Directors may change each year.

# Recommendations (con't)

- The Strategic Plan include all on-going projects (Youth Program, National Handicapping).
- The Strategic Planning Committee should meet at least once a year.
- Standardbred Canada assist in programs involving unwanted Standardbred horses.
- All Board & Committee members sign a confidentiality/conflict of interest form.
- All core services should operate on a minimum break-even/cost recovery basis.
- All Committee Reports to the Board should include background information, pros and cons surrounding the decisions and be distributed in a timely manner.

# Recommendations (con't)

- Recommendations of the Audit & Governance Committee, following presentation to the Board of Directors, should be provided to members via TROT Magazine and/or SC's website.
- Review of all Committee Terms of Reference to ensure there is no overlap between Committees.
- The Board should strive for a minimum of two candidates for Active & Breeder elections to avoid acclamations.
- Outgoing Directors strongly encouraged to find potential replacements for the Board.
- A resume should accompany all nominations for Director positions.

# Recommendations (con't)

The Audit & Governance Committee strongly recommends the review of the governance model that the Board currently operates under.