



Motion to change our external audit frequency

Proposed Motion:

That the Hoci Cymru moves from an annual external financial audit to every three years, with effect from the next financial year, unless otherwise required by funders, regulators, or the Board.

1. Background

1. Rising Costs

- The cost of an annual audit has increased significantly to £6,000–£6,500 per year.
- Moving to an audit every 3 years would reduce audit expenditure by approximately 50 – 75% over a three-year cycle, releasing funds for frontline sporting activity and development rather than administration.

2. Proportionate Governance

- A three-year audit cycle remains consistent with good governance for organisations of our size and risk profile, particularly where strong financial controls, management accounts, and board oversight are already in place.
- Annual management accounts and regular board financial reviews would continue, ensuring ongoing financial scrutiny.

3. Alignment with External Requirements

- Sport Wales only require an external audit every three years, indicating that we would still comply with the minimum required by our primary funder.
- Adopting a three-year cycle balances compliance with cost efficiency.

4. Flexibility and Safeguards

- The Board would retain the ability to commission an audit earlier if required (e.g. due to funding conditions, organisational growth, or identified financial risk).
- This ensures the organisation is not locked into an inflexible approach.
- Members requiring this to change and become annual, would need for the request to be passed by a future motion.

2. Proposal

That the Hoci Cymru moves from an annual external financial audit to every three years, with effect from the next financial year, unless otherwise required by funders, regulators, or the Board.

This motion seeks to maintain strong financial governance while responding responsibly to rising audit costs. A three-year audit aligns with funder expectations, represents good value for money, and ensures resources are focused on delivering our sporting objectives.