

REPORT OF THE BOARD OF AUDIT

Report from the UBC Board of Audit to the UBC X General Conference in Kristiansand, Norway, September 2009.

The Board of Audit was summoned during the UBC General Conference in Pärnu, in September 2007, on basis of article 5 of the UBC Statute.

The Board of Audit has had the following members:

Mrs Ewa Back, Councillor of Sundsvall, Sweden

Mrs Marta Chelkowska, Director of Tourism Department Marshall Office of Pomeranian Voivodeship, Poland

Mrs Silvia Löbner, Head of Audit Department in Wismar, Germany

Article 12 in the Statute of the UBC states: “The Board of Audit checks the auditor’s report for correctness and proper use of the resources for purposes laid in the decisions of the General Conference and the Executive Board, in the Statute and according to the regulations of the donors of contributions. The Board of Audit has the right to check and read all books, accountants’ files etc. of each body of the Union, Secretariat and the Commissions. The Board of Audit reports to the General Conference”.

The Board of Audit held a meeting in Pärnu, Estonia, on 28 September 2007. Mrs Ewa Back participated at the Executive Board Meeting in Växjö, Sweden, on 29 October 2008. Mrs Marta Chelkowska participated at the Executive Board Meeting in Międzyzdroje, Poland, on 1 July 2009. Mrs Ewa Back and Mrs Marta Chelkowska reviewed the books of UBC and followed up documents from the Executive Board and the Commissions on 11–12 May 2009.

The following files were submitted to the examination by the Secretariat:

- invoices and bills passed to UBC in 2007 and 2008
- confirmation of the payments made by UBC in 2007 and 2008
- bank statements
- receipts of payments by electronic cards from the UBC account
- financial reports
- tax declarations

The Board of Audit has also had the following documents produced or presented by the UBC as a basis for the audit:

- Statute of the UBC
- Internal Regulations
- UBC Strategy
- Minutes from the Executive Board Meetings in 2007 and 2008
- Report from the IX General Conference in Pärnu 2007
- UBC budget for 2007 respectively 2008
- UBC membership fees for 2007 and 2008
- Statement of the accounts for the period 1 January 2007 until 31 December 2007 respectively 1 January 2008 until 31 December 2008, along with explanatory notes
- Auditor’s report made by the licensed auditing company BILANS for 2007 respectively 2008
- Budgets and reports from the Commissions for 2007 and 2008, including copies of invoices.

The Board of Audit makes the following statements:

1. We have read the Minutes from the Executive Board Meetings in 2007 and 2008. We have also looked at the UBC Strategy and the Action Plan 2006-2007 respectively 2008-2009.
2. We have found that the intentions of the Strategy as well as the two Action Plans have been activated or fulfilled.
3. The working group for UBC further development is going to present a new Strategy at the General Conference 2009.
4. The assessment of the books is commissioned to the licensed company BILANS, Gdańsk, according to the decision of the General Conference in Pärnu 2007. BILANS' has checked the correctness of the books and their contents in accordance with the Polish book-keeping rules and found everything in order.
5. The contract between the city of Gdańsk and the UBC, signed in 2004, concerning premises and equipment for the Secretariat has been renewed. The mayor of Gdańsk has in a letter to the General Conference in Pärnu 2007 expressed that the city continues to take responsibility for the secretariat for 2008-2011. The three employees of the office have all an employment relationship with the city of Gdańsk.

The recommendations from the Board of Audit to the General Conference in Pärnu 2007 has been followed up:

1. A change in the Statute will be presented to the General Conference in Kristiansand 2009, "so that the absolution is not only for the Presidium, but for the whole Executive Board, as well as for the Secretary General".
2. "Economic decisions made by the Executive Board should include an exact or estimated cost, alternatively a cost limit". The budget for 2007 and for 2008 have been adopted by the Executive Board. Decisions on additional grants are partially recorded in the minutes.
3. "The Commissions can use one third of their grant from the UBC to cover costs of their secretariats. These costs, as well as other costs covered by the grant, should if possible, be verified by copies of invoices. If this is not possible, a written summary of the secretariat-costs can be done". The reports from the commissions shows that these regulations have been followed by most commissions. The secretariat has had discussions with commissions who has had difficulties in fulfilling the regulations.
4. "We recommend the Executive Board to discuss reports from the Commissions more frequently, perhaps could 2 -3 commissions give reports at each Board meeting. This way every Commission gets a good opportunity to bring up their difficulties as well as possibilities and development". A discussion on this recommendation was held at the Board Meeting in Międzyzdroje on July 1, 2009. The Board concluded that model of inviting commissions to the Board meetings would be determined after adopting the new UBC Strategy.

The Board of Audit recommends the X UBC General Conference:

1. To recommend the Executive Board to not only adopt the budget for the following year, but also to discuss the Loss and Profits Account and larger deviations from the budget.
2. To express the General Conference's thanks and gratitude to the city of Gdańsk for its generous support to the UBC.

**On the basis of the completed examination the Board of Audit proposes the General Conference in Kristiansand 2009 to decide:
to absolve the Executive Board and the Secretary General for the years 2007 and 2008.**

Sundsvall
15 July 2009
Ewa Back

Gdańsk
15 July 2009
Marta Chełkowska

Wismar
15 July 2009
Silvia Löbner