

Board Audit Committee Activities Report

1 July 2024 through 31 December 2024

Section 1: Complete Activities

Item	Description	BAC Completion Date	Accomplishment/Outcome
FY24 Independent External Audit, Audit Firm Appointment	The BAC met with the external audit firm to discuss the FY24 audit process, including the audit approach, scope, audit firm's responsibilities, anticipated timeline and deliverables. The audit firm also informed the Committee of a new accounting pronouncement Current Estimated Credit Losses (CECL) ASC Topic 326, which provides guidelines for estimating future credit losses for certain financial instruments including Trade Receivables.	25 July 2024	The BAC received and reviewed the Moss Adam's audit planning materials. There were no significant questions or issues raised.
BAC Training	The BAC received training on roles and responsibilities of an audit committee, including how to review IRS Form 990.	25 September 2024	BAC training completed with intent to enhance understanding of the roles and responsibilities of the BAC, including the responsibility for decision making.
FY24 Independent External Audit - Review	The BAC received a briefing from ICANN's independent audit firm on the FY24 audited financial statements, which includes PTI's financial statements. The firm noted that it was a "clean audit" with an unmodified opinion, indicating that no audit adjustments, significant deficiencies or material weaknesses were identified this year. The BAC	11 October 2024	The audit firm reported on several aspects of its work as part of its required communications to the BAC.

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	also received a briefing on the draft Audited Financial Statements.		
Executive Interviews	The BAC committee members held an interview with Sally Costerton on 14 November 2024	14 November 2024	Interview completed. The purpose of the interviews is to allow BAC members to understand any potential pressures that executives might have that could increase overall risks to ICANN.
Assessment of External Audit Firm's performance and recommendation re: FY25 Audit Firm	The BAC reviewed management's assessment of the External Auditor's performance and information surrounding the appointment the independent audit firm for FY25.	10 December 2024	The BAC recommended that the Board appoint the independent audit firm to serve as ICANN's audit firm for the FY25 audit, which is set for Board consideration in January 2025.

Section II: Appendix – Resolutions Recommended by the BAC

Appointment of the FY25 independent financial statement audit firm:

Board Resolution