

---

## To the PMI Norway Chapter Annual Meeting 2026

### *This is the Auditing Committee's Annual Report*

The duties of the Auditing Committee are laid out in the Bylaws for PMI Norway Chapter Article VII, Section 4, PMI's Chapter Leader Orientation Program, as well as strategy, annual plan and activity plan.

This audit has been carried out to the best of the Auditing Committee's abilities. The Committee's member(s) do not have any close relations with members of the Board. The audit applies for the period 1 September 2025 to 31 August 2026.

### *Annual Accounts*

The Auditing Committee has not audited the accounts for PMI Norway Chapter for the accounting period ending 31 August 2026. This has been done by Frekhaug Regnskap, who has confirmed accuracy of the accounts with no comments. The accounts show a deficit of **NOK 169,474.-** This is much less than the budgeted deficit of **NOK 530,975.-**. The reduced deficit is mainly due to lower participation in planned activities and hence lower cost, for the meetings and events, especially the 25-year anniversary for the Norway Chapter as well as for events outside the Oslo region.

The Board and the Operations Director are responsible for the annual accounts, for ensuring that they present a true and fair view in accordance with the Chapter's regulations, and for such internal control that the Board and the Operations Director determine to be necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

### *The Auditing Committee's Audit*

A review involves performing procedures to obtain audit evidence regarding the amounts and disclosures in the annual financial statements. This has been performed by Frekhaug Regnskap. For the Auditing Committee the review has been limited to an assessment of whether the accounting principles applied are appropriate and whether the accounting estimates prepared by management are reasonable, as well as an evaluation of the overall presentation of the annual financial statements.

---

### *Note on principles of accounting*

No specific accounting principles have been established in the *Bylaws* or under general legislation. The accounts have, for the most part, been prepared using the “**cash basis of accounting**”. On a cash basis, income and expenses are recorded when payment is received or made. Consequently, PMI Norway may have received and consumed goods and services during the period **1 September 2025 to 31 August 2026** without the related costs being included in the financial statements for that period. Such costs are recognized only when payment is made. Similarly, PMI Norway may have earned revenue during the period that is not reflected in the financial statements until payment is received.

### *Conclusion on Annual Accounts*

The annual accounts show a good picture of the activity that has been ongoing in the Norway Chapter during the last accounting year and that the deficit in the accounts was less than planned.

### *Budget*

PMI Norway Chapter’s Board has suggested a budget for 2026-2027 with a deficit of **NOK 289,340.-**.

### *The Board’s and the Operations Director’s responsibility for the budget*

The Board is responsible for the preparation of the budget in agreement with Chapter rules and regulations.

### *The Auditing Committee’s assessment*

As the liquidity in the PMI Norway Chapter is very good and there is still a need to increase the activity compared to last year, the Auditing Committee agrees that the proposed use of the funding is in line with the PMI Norway Chapter’s mission purpose.

### *Accounting*

The PMI Norway Chapter’s accounts have been recorded by the Chapter itself since 2023, using DNB Regnskap.

An updated copy of the accounts is available in the PMI Norway Chapter tenant, in Teams (SharePoint). Accounts have been up to date during the period.

The Chapter has three bank accounts as well as Vipps and PayPal accounts registered

in the Chapter's name. The Chapter has no insurance covering loss because of fraud or embezzlement. The Auditing Committee has no evidence of suspicion of fraud or embezzlement.

#### *The Auditing Committee's assessment*

The accounting has been performed in a satisfactory way, giving a good view of the Chapter's "business".

#### *Administrative procedures and governance*

By the Chapter's Bylaws it follows that the Board and any Branch leaders shall be «solely accountable for the planning and operations of the Component and shall perform their duties in accordance with the Component's governing documents; its Charter Agreement, PMI's Bylaws, policies, practices, procedures, and rules; and applicable law».

The Auditing Committee has reviewed the meeting protocols and minutes of the board meetings and the documentation on Teams from the operational meetings has been in line with the governing documents and planned activities.

#### *The Board's activities*

Board meetings are currently documented through an ongoing record of meeting minutes that is accessible to selected members via Teams.

- Board meeting minutes are specific and concise.
- Board meeting minutes are stored in an appropriate manner.
- Experience with the use of Teams has been positive, and backup procedures are in place.

The Auditing Committee considers the Board's activities and the documentation of its decisions to be satisfactory.

#### *The Administration's activities (Operations)*

The Auditing Committee has observed that the work performed by the Operations Director is thorough and well documented in Teams. It appears that sound procedures are in place and that the necessary authorities and delegations have been established.

The Auditing Committee considers the administration's work to have been satisfactory.

---

### *Activity Level in the Norway Chapter*

Similar to prior years, there is a significant discrepancy between the planned level of ambition reflected in the budget (deficit of **NOK 530,975.-**) and the actual activities carried out, as reflected in the financial statements (deficit of **NOK 169,474.-**).

The Committee therefore encourages the Board to continue to strengthen its efforts to re-establish regular in-person meeting opportunities for members, following the examples of Bergen and Oslo, to foster members' sense of affiliation with PMI, it is important to provide regular points of engagement in otherwise busy schedules where PMI remains on the agenda.

As the member base for the PMI Norway Chapter has increased by 24% in the last year, this will give both opportunities to, and requests for more activities above the already high activity reported for the Chapter, such as the the establishment of sustainability as a defined area of leadership and activity.

### *Annual Meeting*

The Auditing Committee has observed that PMI Norway Chapter conducts **electronic elections**, in which all members have the right to vote. This is highly positive and is consistent with PMI practices.

As a remark to the annual meeting and elections, it is a recommendation to the Board to ensure robustness in the committees. In the last period, the Nominations Committee and the Auditing Committee only consisted of one member each.

### *Summary*

The Audit Committee consider the work as a whole in PMI Norway Chapter to have been performed satisfactory with activities of high quality and a motivated Board.

Tanum, 30<sup>th</sup> September 2026

Kåre Gulliksen

Auditing Committee