

# VIEW Audit

## Problems & Recommendations



# VIEW Audit

## Audit purpose

*To provide an objective independent examination of VIEW Clubs of Australia financial records for inclusion in the Annual Financial Statements of The Smith Family.*



# Audit: Cashbook reconciliation process

## 5 step process

1

**Confirm  
Opening  
Balance**

The Opening Balance in January for the year is matched with the Closing Balance as at December from the previous year.

2

**Confirm  
Income &  
Expenditure**

Income & Expenditure for each month is matched to the Bank Statement

3

**Confirm bank  
and Cashbook  
balances**

The Closing Balance for the month in the Cashbook is matched to the Closing Balance in the Bank Statement for the month.

4

**Confirm  
unpresented  
cheques and  
outstanding  
deposits**

Confirm the list of unpresented cheques against cheque book butts.

Confirm the list of outstanding deposit against deposit book butts.

5

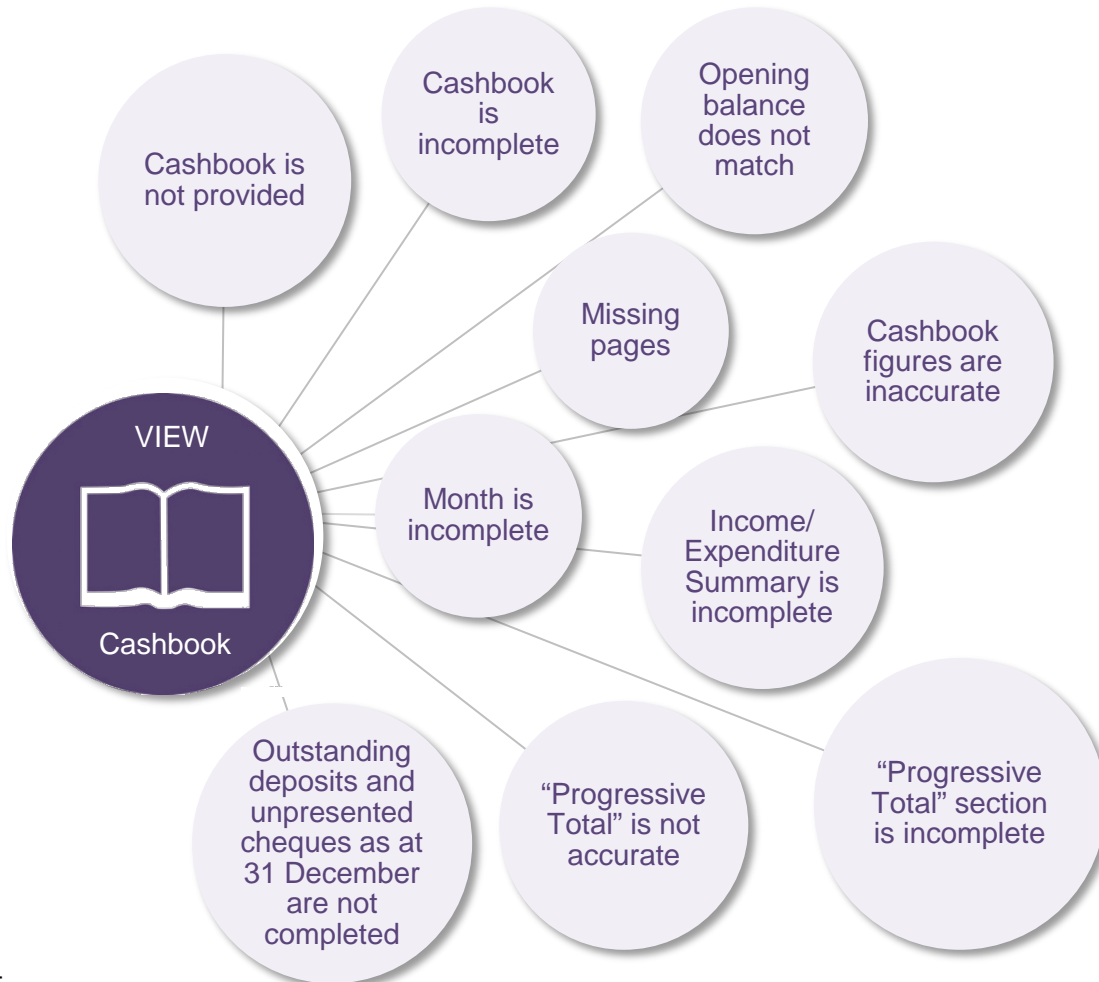
**Reconcile  
Income &  
Expenditure  
Statement for the  
year**

Confirm Income & Expenditure Statement for the year is complete and reconciles with the Bank Statement.

Confirm the Closing Balance per the bank statement as at December matches with the Closing Balance in the Cashbook.

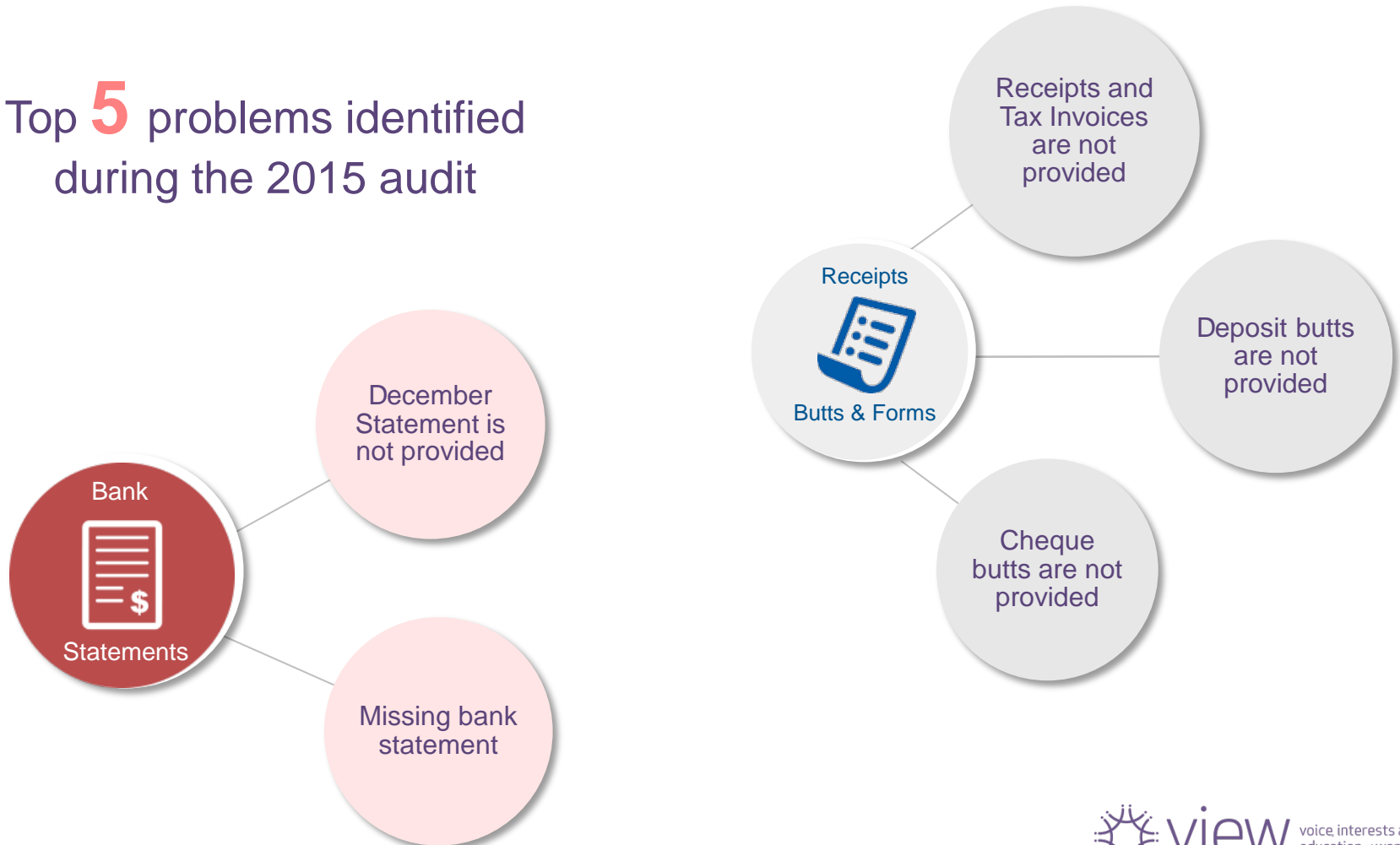
# Cashbook Problems

Top **10** problems in maintaining VIEW Club Cashbook that were identified during the 2015 audit



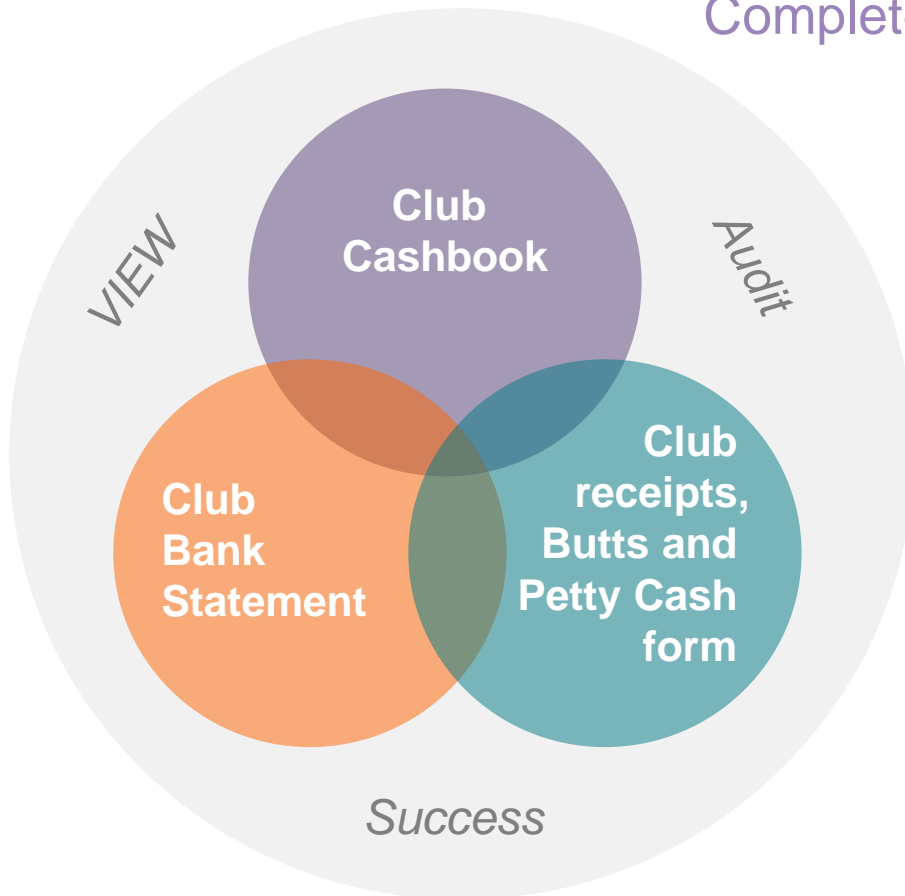
# Bank Statement, Receipt and Cheque Book Problems

Top **5** problems identified during the 2015 audit



# Success of Audit

Completeness + Accuracy = Successful Audit



## 3 ways to succeed

- ✓ Cashbook is completed and provided
- ✓ All records are accurate and align with VIEW Club Finance guidelines
- ✓ Income & Expenditure Statement for the year is reconciled

# Recommendations for the Audit 2016

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## CASHBOOK

- ✓ Use the Electronic Cashbook where possible as it has built-in checking mechanisms
- ✓ If you use a paper Cashbook, Progressive Total must be completed and accurate
- ✓ Opening balance in January must match with December Closing Balance from the previous year
- ✓ All pages of Cashbook must be completed
- ✓ INCOME and EXPENDITURE records should match with the Bank Statements

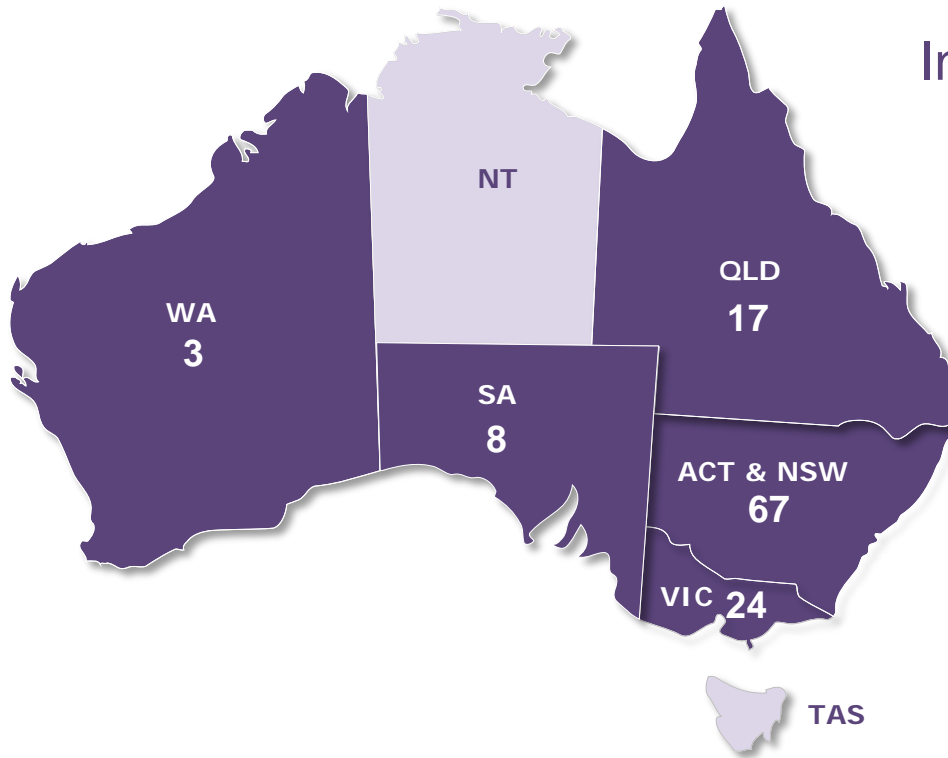
## BANK STATEMENT

- ✓ Provide all Bank Statements from 1 January to 31 December
- ✓ Final December statement must be provided
- ✓ Closing balance in statement must be recorded in Cashbook

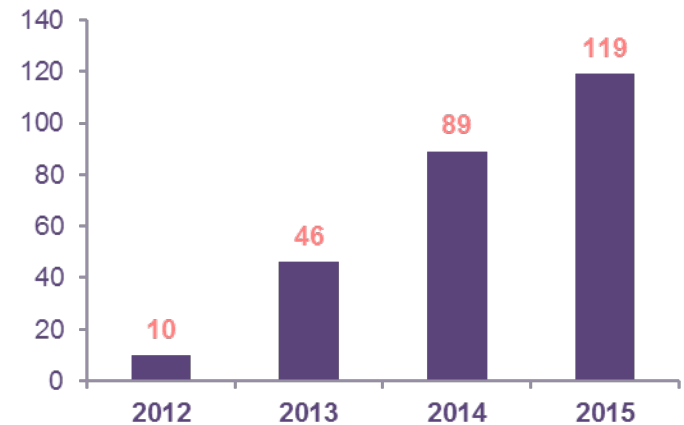
## RECEIPTS, BUTTS & PETTY CASH FORM

- ✓ Provide all cheque and deposit butts, receipts/tax invoices
- ✓ Provide Petty Cash Recording Form

# VIEW Electronic Cashbook usage



In 2015 **119** VIEW Clubs used the VIEW Electronic Cashbook





# Benefits of using the VIEW Electronic Cashbook

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- ✓ Easy Income & Expenditure data entry in Excel
- ✓ Automatic Total calculations across all pages of the Cashbook
- ✓ Total for Month, Progressive Total and Brought Forward are automatically calculated as soon as you enter your data
- ✓ Cashbook Balance section is automatically populated for each month
- ✓ Income and Expenditure Statement for the year is automatically populated so you can easily reconcile your annual Income and Expenditure
- ✓ Formulas are protected from deleting
- ✓ Pie charts are built in and available on the last page so you can use them for your reporting



# Terminology to understand

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**Income** is all money coming to the Club bank account from monthly meals, functions, raffles, annual subscriptions, joining fee, *LfL*, donations, merchandise and others.

**Expenditure** is all payments made from the Club bank account for meals, functions, raffles, donations, joining fee, *LfL*, merchandise, other goods and services.

**Brought Forward** is a Progressive Total from the previous month.

**Progressive Total** is a YTD (year to date) total of Income/Expenditure.

**Outstanding Deposits** – deposits recorded in the Cashbook but not yet showing on the Bank Statement.

**Unpresented Cheques** – cheques recorded in the Cashbook but not yet showing on the Bank Statement.

# Audit 2016 Cashbook Request

**VIEW National Office**

**MEMORANDUM**

To: All VIEW Clubs  
From: VIEW National Office  
Date: January 2017  
Re: **VIEW Clubs Cashbook request for Audit 2016**

Dear Club Treasurer,

As you are aware, the financial books for your Club are reviewed by an auditor at the Smith Family each year. There's no if you have already submitted your books. If not, you will need to send your club's financial documents (see the checklist on the flip side of this memo) before **Tuesday, 28<sup>th</sup> February 2017**. Please complete the checklist and attach it to the front of all documents sent in with your Cashbook.

Please send items in either an **EXPRESS Post** or **REGISTERED envelope** to:  
The Accountant, The Smith Family, GPO Box 10500, SYDNEY NSW 2001

Remember to write the name of your Club and a return street address on the outside of the Express Post envelope.

Do not include any other Club correspondence, expense claims or donations etc. not related to the audit in this audit package as it goes directly to the Auditor and will not be received by VIEW NZ.

By following the above, you will help reduce the possibility of errors and facilitate the smooth running of this year's audit. While the audit is underway, please be sure to keep copies of any information you may need for Club reports in the first half of the year and to set up your Cashbook for 2017.

If you are unable to send your Club's financial books by **Tuesday, 28<sup>th</sup> February 2017** please complete and return the attached "Late Notification Form", informing us of the reasons for the delay and when we can expect to receive your Club's financial books so we can notify the auditors.

If you have any questions please call me on 03 9085 7233 and leave a detailed message with your contact details or email me on [olga@smithfamily.com.au](mailto:olga@smithfamily.com.au)

Kind regards,  
  
**Olga Skurnostova**  
Operations Coordinator  
VIEW Clubs of Australia

**CHECKLIST for Audit 2016**

Date: \* / \* / 2017  
Club Name: \_\_\_\_\_  
Name of Treasurer: \_\_\_\_\_ Phone: \_\_\_\_\_

Please provide your club's financial documents in the following order.

- Cashbook** (Please email your electronic cashbook to [view@smithfamily.com.au](mailto:view@smithfamily.com.au))  
Add the monthly receipts and payments to give a total for the year, as both monthly and yearly totals are required. Keep a record of these at your Club. Complete your Club's financial information on the income and expenditure sheet provided at the back of the Cashbook.
- Bank Statements from January 2016 to December 2016**  
Include all Bank Statements covering 1 January 2016 to 31 December 2016.  
**A** Please **DO NOT** send the books until you have received the **December Bank Statement**.
- All donation receipts from The Smith Family**
- All Tax Invoices**
- Cheque books**  
Detach any **used** cheque butts from the cheque book, staple together, ready to send in.  
Keep the unused section of the cheque book. This enables you to continue to use your current cheque book while your Club books are being audited.
- Deposit Books**  
Similar to how you have "divided" the cheque book, tear out the **used** deposit book butts for bank deposits made during the year, staple together, ready to send in.  
Keep the unused portion of your deposit book and continue to use as needed.
- VIEW Club receipt books (yellow covers only)**  
Tear out and staple the **used** part of any receipt books and include in the mailing.  
Keep the unused part and continue to use as needed.
- Petty Cash Recording Form**  
Attach all petty cash receipts.
- Any supporting documents**

**Audit 2016**

**Late Notification Form**

Date: \* / \* / 2017  
Area/Zone: \_\_\_\_\_  
Name of Councillor: \_\_\_\_\_ Phone: \_\_\_\_\_

**1. Reason/s of Councillor's Cashbook delay**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**2. Estimated date financial books will be received by National Office**

\_\_\_\_\_

\* / \* / 2017      Signature: \_\_\_\_\_

**VIEW Cashbook request for Audit 2016 will be sent to all Clubs and Councillors in January 2017**

**Please Note:** If you are unable to send your financial books by the deadline, the Treasurer/Councillor needs to submit a "Late Notification Form" informing us of the reasons for the delay and when we can expect to receive your financial books so we can notify the auditors.

