

CZECH & SLOVAK CLUB TAURANGA  
39 RIVER OAKS DRIVE  
TAURIKO  
TAURANGA 3110

15<sup>th</sup> March 2022

To the CZECH & SLOVAK CLUB TAURANGA Committee

I have been asked to review the support documents versus the financial transactions, post the handover from the old committee to the new committee. The period of my review was strictly 1 April 2020 until 25 May 2021. My review does not constitute a formal review under the terms of the NZ Charities Commission, nor does it constitute a formal review required by any funding organisations.

In general, I can conclude that there is a high percentage of support documents for the financial transactions of the Club, with only 10 of the 114 required documents missing (8.8% missing). However, the financial value of the missing documents is higher at 10.7% of the total spend in that period, at \$1757.60 (versus the total spend of \$16,366.30). The list is attached to this report.

The second part of my review was to confirm and provide the new committee a list of any missing assets that were not available during handover.

My recommendations are as follows:

- The current committee accepts there are 10 support documents that cannot be obtained to verify expenses. In some cases, the expenses are obvious due to the detail on the bank statement, and that is sufficient to be confident as to what the spend was for and the event or project it related to.
  - o It is quite normal to have some documents fall through the gaps during handover, and the only guarantee that you can have is a very strong control system of limited number of people who are given authority to spend the Club money, and a second control of a regular reviewer (that is not that same person) to check cashbooks and documents are all accounted for.
  - o For a Club of your size, I wouldn't recommend any more frequently that quarterly.
- The current committee can pass a resolution that acknowledges the missing assets were not available post-handover.
  - o The resolution needs to record the dates and values, and descriptions so that any review or audit that is required by your constitution, can use that document.
  - o The values below are using March 2020, as that is the date that is closest to the handover date from the previous committee.
  - o The 3 assets that I have confirmed as missing are:
    - a) PA System, Samson Expedition (XP106), original cost \$620.00 on 27 Aug 2014.  
Estimated book value at 31 March 2020 was \$88.57

- b) Gazebo & Accessories, original cost \$513.88 on 21 Feb 2019. Estimated book value at 31 March 2020 was \$369.25
- c) Printer MFC3550, original cost \$299.99 on 20 Dec 2017. Estimated book value at 31 March 2020 was \$149.50
- o There is also a list of items that are missing that are not an official "asset" of the Club, in that they are not on the asset listing with dates and values. A review of the historical reporting for Charities Commission shows that these have not been recorded as asset purchases as the time, as there was funding applied for to purchase them. Instead, the costs of the books, for example, have been offset against that grant money and not recorded in the ledger as an asset. These items therefore did not form part of my review, but I have been asked to give your committee guidance on how to record these.
- o If you have the records to verify the amounts, you could include that value, however I suspect that will be limited. Therefore, I suggest that the current committee agrees a value as at 31 March 2020 and includes that value for each item in the resolution.
- o The missing items are:
  - d) Club Banner
  - e) National Flags
  - f) CZECH & SLOVAK CLUB TAURANGA NZ Charities Commission Stamp. This is of particular nuisance as all gifting to the club needs to be stamped with this stamp so that the Gifter can claim the gift as a rebate with the NZ IRD each year.
  - g) Branded Tops
  - h) Anicka a Honzik vypraveji Books
  - i) Library Books (approx. 120 of these)
  - j) Parts of the Mikulas costumes.

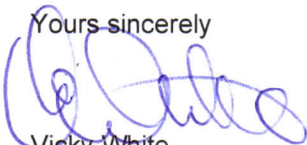
I have some other general Xero report-based observations:

- I highly encourage the reporting that you do matches the "general" framework that the NZ Charities Commission uses.
- In other words, refrain from using people's names to identify transactions. People's names are not a good description of what money spent or money received was for. The Club relies on good reporting to help get money from Funders, and a review of Xero is recommended to ensure that your Treasurer can "work smarter, not harder" in this sense.
- Have banners in your reporting for things. Just using income as an example, the Charities classes are:
  - o "Member's contributions",
  - o "General Public Fundraising/contributions",
  - o "Funders / Grants contributions".
 You can have many codes under these banner headings, for the specific ways that your Club receives money.
- Having clear banners with the events or projects listed underneath can save you a lot of time when reporting to funders, and with the year-end compliance reporting to the NZ Charities Commission.

In conclusion I'd like to comment on the work that has gone into generating the reporting for the new committee, in what appears to have been a fraught time. You've done a great job to reconstruct as best you can, and I can assure you that you've done sufficient to now put this part of your Club's journey behind you, and start focusing on the amazing contribution you're making to the younger people attached to your entity.

I wish you all of the future successes, and warm wishes for the rest of 2022.

Yours sincerely



Vicky White  
Accountant, ATAINZ Member #11722  
Abacus Business Services Limited