

# Not-For-Profit Audit Update

## Introduction

At McLean Delmo we understand that the lead up to the Annual General Meeting can be a testing time for most organisations – not least of which for Not-For-Profit organisations. Having worked with many NFPs, we know there are issues specific to you and your audits that require specialist attention and advice.

So this year we have decided to send you some tips and information which we believe will help you survive and thrive during this busy period. Over the coming months we will send you the **Not-For-Profit Audit Update**. We hope you will enjoy reading this quick newsletter and that it will be valuable information for you.

## Feature Article

### Top 10 tips to keep audit costs down

Time is precious and money is not always easy to find. The following can save you on both counts:

1. Have work papers, reconciliations and third party confirmations (from banks and solicitors) in a file for your auditors. To make sure you have everything ready, follow the standard audit workpaper requirements which can be provided by your auditor.
2. Reconcile what you can before the audit including gains or losses on the sale of fixed assets against the fixed asset schedule, GST, prepayments and suspense accounts. You can also do company and land title searches.
3. Ask your IT department or auditor to recommend an Excel model to prepare and map a draft set of accounts so that account numbers and financial statement balances are easily identifiable and ready for downloading.
4. Ensure that a draft trial balance, balance sheet, profit & loss and draft financial statements are available both in hard/soft copy. Email soft copies in advance to allow the auditors to begin reviewing the accounts.
5. Hold a pre-audit meeting with the auditors to ensure everything has been considered.
6. Agree to a timetable of activity and make sure key milestones are met throughout the audit process.
7. Maintain regular and open communication throughout the audit process. This will help eliminate the need for last minute follow ups.
8. Think about the best time to schedule the audit visit to ensure the required staff members are on hand to assist with the audit on the day. It is important that staff members are prepared, organised and available.
9. Towards the end of the audit process, schedule a half day meeting with all relevant staff members in attendance to meet with the auditors and go through the auditor's questions or queries. Dealing with these follow up queries quickly will prove time and cost efficient.
10. Ask your auditor to provide a one fee quotation for all services including grant acquittal audits and out-of-pocket expenses.

## What our NFP clients are telling us

### Testimonial: Rhonda Cleveland, Operations Manager, National Asthma Council Australia

*The National Asthma Council Australia (NAC) is a small but complex organisation when it comes to financial management and reporting. The budgets are always very tight and funding hard to secure. The team at MDHC Audit Assurance has been invaluable with their expert advice and support to ensure the management of our accounts is in line with all relevant rules and regulation.*

*I have worked with a number of not-for-profit organisations over the past 25 years, and I can confidently say the auditing process undertaken by MDHC is more thorough and consultative than what I have experienced with other firms. I always feel they are there to help us achieve the best outcomes and minimise any potential risks with our financial management and reporting processes. This provides me a sense of security in knowing our financials are being examined in such depth by people who understand the complexities of the not-for-profit industry and the work we do.*

*I can highly recommend Mr Jamin Ong and the MDHC Audit Assurance team to any not-for-profit organisation.*

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## Meet our team

### Graeme Marriott Partner



Graeme, a Chartered Accountant, has over 40 years of experience in the provision of audit services (both external and internal).

A great supporter of the not-for-profit sector, Graeme has developed a deep appreciation of the financial issues faced by NFP organisations and has proven experience in helping NFP executives deal effectively with these issues.

Graeme's diverse client base includes public and private companies, local government, private colleges, superannuation funds, health and welfare organisations, arts sector entities, clubs, research institutions and associations.

### Jamin Ong Senior Audit Manager



Jamin, a Chartered Accountant, has extensive experience in providing audit services to large and small organisations including the ASX listed companies.

Currently, Jamin is the audit manager for a number of not-for-profit organisations including Native Title Services Victoria Ltd, TAFE Development Centre, National Asthma Council Australia, Museum Victoria and ACMI.

The head of our Professional Standards user group, Jamin has a sound understanding of the Accounting and Auditing Standards, Corporations Act 2001 and Associations Incorporation Act 1981 (Vic). Jamin supports Graeme in planning, managing and completing audits for our clients.

## About McLean Delmo

McLean Delmo is a dynamic professional services organisation offering advice to all types of businesses and individuals. Our team consists of progressive accountants, financial planners, auditors, mortgage brokers as well as tax and other specialists.

Our focus is to help create, maximise and protect wealth for all our clients, be they small, medium or large.

Our purpose built offices are located in Hawthorn, on the fringe of Melbourne's CBD. While the majority of our clients are from in and around Melbourne, we are increasingly involved in interstate and international work. Our membership of Kreston International, a worldwide network of experienced, independent accounting and business advisory firms means we can look after our clients throughout Australian and in all parts of the world.

### Specialist services

Business and financial advice	Franchising	Corporate secretarial
Management consulting	Financial planning	Bookkeeping
Specialist consulting	Finance and lending	International business
Taxation	Superannuation	Risk
Audit and assurance	Estate and succession planning	Information technology

