

NATIONAL COUNCIL FOR METAL DETECTING.

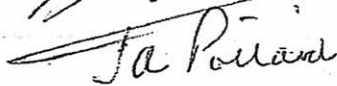
EXAMINATION OF ACCOUNTS

FOR YEAR 2018-2019

AUDIT CHECKS COMPLETED  
AND ACCOUNTS PASSED AS  
CORRECT.



B. K. POLLARD.



I. A. POLLARD.

AUDITORS.

25.4.2019

## **National Council for Metal Detecting (NCMD).**

### **Independent Audit Review and Financial Report – Financial Year to 31<sup>st</sup> March 2019.**

Following further discussions with your Chairman of Audit and Treasurer you engaged me to carry out the following for the fourth year :-

- Provide a second opinion as to the accuracy of the financial information provided by the Treasurer and the appropriateness of the audit process
- To continue to provide a more robust financial summary of the councils financial position at the year end, including a Balance Sheet.

My report and Financial Statements are attached.

### **Audit Process**

I met with your Chairman of Audit, in early April to review the following :-

- The audit process
- Transaction Data and processes
- Financial Processes
- Financial Reports and Summaries
- Sample Audit Tests

Following this meeting, I completed the following :-

- Checked the accuracy of the financial data and reports against the Bank statements
- Carried out a sample audit of several transactions, but otherwise relied on the detail audit process carried out by the Chairman of Audit
- Completed a bank reconciliation at 27th March 2019
- Added into the financial reports and transactions the following transactions yet to hit your bank account:-
  - Balance owed to NCMD by Paypal. Paypal is an online mechanism which is used by some of your members to pay their annual fees. Once received by Paypal the money is held until it is drawn down into your bank account. In effect an additional bank account. The balance owed to NCMD at the 27th March 2019 was £17,536 reflecting additional membership fees.
  - Accrued costs relating to a couple of cheques yet to hit the bank account and a standing order due to hit the bank account after the last statement used to reconcile the bank account.

### **Overview of Accuracy of Information provided by Treasurers and subsequent Audit Process.**

It is my opinion that the basic financial data continues to be recorded accurately by the Treasurer. The reports provided are limited to cash receipts and cash payments and in the circumstances appear fit for purpose on an ongoing basis.

The Balance Sheet and Profit and Loss Report provided with this report, give the NCMD Executive Committee a full picture of the financial position of NCMD.

Given the nature of the transactions, and the detailed data provided by the treasurer, the work of the Chairman of Audit is robust and appropriate for the level of activity of NCMD.

### **Financial Summary.**

As mentioned above I have developed from the financial data provided by the Treasurer, a more formal Profit and Loss account and Balance Sheet at 31<sup>st</sup> March 2019 for NCMD. This takes into account a number of transactions that were due to hit the bank account between 27<sup>th</sup> March and 31<sup>st</sup> March 2019

### **Profit and Loss Account.**

Whilst it is very clear that NCMD is a non profit organisation, (ie.it does not set out to make a profit out of its members), the current level of subscriptions, numbers of members and current costs result in a surplus of income over expenditure. The P & L Account below, compares the actuals for the financial year to March 2019 with the latest forecast and the previous financial year. I am a strong believer that financial data can be a useful management tool, but only if the actuals are compared to previous performance and forecasts, to put the data into some form of context.

The attached report shows income rising by over 15.8% compared to last year. Insurance Costs show a reduction compared to last year of £6,516.

The other major variance compared to last year is the reduction in Newsletter/Minutes costs, down by £16,889. The cost base for NCMD has shown an overall reduction of £24,492 on last year which when put against the increased income results in an increased surplus for the year rising by £44,662 to £74,393.

**NCMD**

**Financial Report - Year to 31st March 2019**

	2018/19		2017/18	Difference
	Forecast	Actual		
	£	£	£	£
<b>Income</b>				
Subscription	130,000	147,154	127,064	20,090
Bank Interest	-	122	42	80
<b>Total Income</b>	<b>£ 130,000</b>	<b>£ 147,275</b>	<b>£ 127,106</b>	<b>£ 20,169</b>
<b>Expenditure</b>				
Printing/Stationery	2,240	2,240	2,425	185
Postage	9,047	9,646	7,216	2,430
Phone/Net Charges	1,389	1,389	1,819	430
Insurance	16,656	10,140	16,656	6,516
Meeting Room Hire	5,559	5,559	7,450	1,891
Subsistence/Meals et	1,080	1,080	1,777	697
Membership Manager	15,600	15,000	15,000	-
Newsletters/Minutes	17,898	18,118	35,007	16,889
Travel	7,375	7,375	7,237	138
Website Maint	2,335	2,335	2,788	453
<b>Total Expenditure</b>	<b>£ 79,179</b>	<b>£ 72,882</b>	<b>£ 97,375</b>	<b>£ 24,493</b>
<b>Surplus Of Income Over Expenditure</b>	<b>£ 50,821</b>	<b>£ 74,393</b>	<b>£ 29,731</b>	<b>£ 44,662</b>



**Balance Sheet**

**NCMD**

**Balance Sheet @ 31st March 2019**

**Assets**

**Current Assets**

	£	£
Bank Account (Comm)	120,354	
Bank Account (Money Man)	90,417	210,772
Paypal		<u>17,536</u>
		<u>228,308</u>

**Total Net Assets**

**£ 228,308**

**Reserves**

Opening Balance 01/04/18	153,915
Surplus 2018/19	74,393

**Total Reserves C/F**

**£ 228,308**

The enclosed Balance sheet attempts to portray the financial position of NCMD at 31st March 2019. Although relatively simplistic the report attempts to show the assets of the organisation, being bank balances and monies owed by Paypal.

The net result is Net Assets of £228,308 which reflects the level of assets held by NCMD.

This is a considerable increase on last year's position, and reflects the continued increase in the reserves of the organisation over the past few years. The time may now be correct to consider the current approved Reserves Policy and decide if there are alternative uses for these level of reserves or a proportion thereof..

**Steve Dolphin**  
**Financial Consultant**