



Basile & Basile Pty. Ltd.

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Public Accountants • Registered Tax Agents
Business & Taxation Consultants

17/05/2019

The Committee
Coomera Hope Island Cricket Club
PO Box 183
Qxenford QLD 4210

Dear Sirs,

COOMERA HOPE ISLAND CRICKET CLUB

We have recently completed our audit of the financial accounts of the Coomera Hope Island Cricket Club Inc. for the period 1 May 2018 through 30 April 2019. The purpose of this audit was to allow us to express an opinion on the financial statements of the association and was not designed to discover inefficiencies or weaknesses in the internal control or accounting systems of the association. During the course of our audit we have identified areas of improvement, which we bring to your attention with this management letter.

Cash Receipts

Receipts from cash sales, both memberships and food and beverage sales through the canteen, are a significant source of revenue for the Coomera Hope Island Cricket Club. The club has determined that the till receipts do not necessarily correctly reflect the allocations of receipts and has elected to allocate based on the members' register and daily till and banking totals. Accordingly, as the evidence available to us about revenue from these sources was limited, our audit procedures for cash sales had to be restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion on whether cash transactions relating to canteen sales and membership revenue obtained by the club are complete, and whether their classification is appropriate.

As per previous audit it was noted that the Club had already been able to secure a new cash register to allow for more accurate reporting in the future. We encourage further training of volunteers and staff in the use of the system to result in lower levels of inaccuracy and to provide more useful data for use of the management committee.

Directors
Tony Basile (B.Bus) F.T.M.A., F.N.T.A.A.

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Accounting Records

The club is now using a cloud-based accounting software called MYOB Essentials. The software implemented is capable of handling the level of transactions experienced by the club.

We note that the club operates three bank accounts (with Bank of Queensland, Westpac and Bartercard), and we strongly recommend that monthly bank reconciliations are performed on each of these accounts. It is a requirement of the Act that the bank reconciliations are undertaken on a regular basis.

It is a further requirement that monthly profit and loss statements are compiled by the Treasurer for presentation at the monthly committee meetings, as listed at Section 17 (v) (3) of the club's constitution.

It is also noted that where a related party to a committee member is due for reimbursement that these transactions should be authorised by two unrelated committee members. This is in keeping with industry best practice and is an important internal control to ensure transparency for all club members.

Adjustments Made

Retained earnings reduced by \$10,000: \$8,000 balance owing to Kookaburra and \$2,000 owing to Queensland Cricket which were incurred in the previous year on 09/10/2017 and 16/05/2017 respectively. This action was taken in order to correct the accounts payable (unpaid bills detailed report) balance as at 30 April 2019. We have provided the club with EOY adjustment journals to put through in order to reconcile the MYOB reports with what we have in our system.

Reporting Period

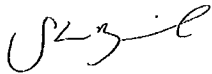
At the Annual General Meeting (AGM) scheduled on 29 May 2019 it is recommended that the reporting period be changed to cover period from 01 May to 30 April. A resolution is to be made and once approved a form is required to be lodged with the Office of Fair Trading.

Accordingly, management should not rely on our report to identify all weaknesses that may exist in the systems and procedures reviewed, or potential instances of fraud that may exist. Our comments should be read in the context of the scope of our work. Findings within this report may have been prepared on the basis of management representations.

This report has been prepared solely for your use as management of Coomera Hope Island Cricket Club and should not be quoted in whole or in part without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose.

I would be pleased to discuss this with you at your convenience. Should you have any queries in relation to this matter, please contact this office on (07) 5556 0134 or via fax on (07) 5556 0468.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'J. Basile', written in a cursive style.

Basile & Basile Pty Ltd

Per: