

Audit of LBWVB Event 2016

Introduction

As with the 2014 and 2015 events, I recently volunteered to conduct an audit into the accounts for the 2016 event. For those of you who do not know my background I am a registered CPA and have considerable experience in the accounting world. As a CPA, I am professionally bound to comply with the International Federation of Accountants (IFAC) *Code of Ethics for Professional Accountants*. This document requires from all accountants who are members of major accounting bodies such as mine to do the following:

A professional accountant shall comply with the following fundamental principles: (a) Integrity – to be straightforward and honest in all professional and business relationships. (b) Objectivity – to not allow bias, conflict of interest or undue influence of others to override professional or business judgments. (c) Professional Competence and Due Care – to maintain professional knowledge and skill at the level required to ensure that a client or employer receives competent professional services based on current developments in practice, legislation and techniques and act diligently and in accordance with applicable technical and professional standards. (d) Confidentiality – to respect the confidentiality of information acquired as a result of professional and business relationships and, therefore, not disclose any such information to third parties without proper and specific authority, unless there is a legal or professional right or duty to disclose, nor use the information for the personal advantage of the professional accountant or third parties. (e) Professional Behavior – to comply with relevant laws and regulations and avoid any action that discredits the profession (pg. 14).

The full document is available at:

<http://www.ifac.org/sites/default/files/publications/files/2012-IESBA-Handbook.pdf>

In conducting this audit I was cognisant of my professional obligations to conduct such an audit in the public interest.

Scope of the Audit

In order to conduct the audit I was provided with scanned copies of the following items:

- All bank statements covering the period of the event, namely, December 2015 through to the end of November 2016.
- All PayPal statements for the same period.
- Copies of the financial accounts.
- Copies of the spreadsheet prepared to assist in preparation of the financial accounts
- Copies of invoices and receipts used to prepare the financial statements including receipts for sponsorships (unused deposit books for sponsorships sourced at the bars were also sighted by me or by a trusted delegate) and invoices for expenses incurred.

Process of Audit

My main concern in conducting the audit was to be sure that the many hundreds of transactions involving the event were accurately recorded in the accounts. As you could imagine given that monies were received from various sources including PayPal, direct bank deposits and cash this was a time-consuming task for me. I was also careful to look at expenses and outgoings and that these were documented appropriately. Consistent with audit sampling techniques I randomly selected a sample of small transactions (less than 10,000 baht) for verification. I also ensured that I examined all large transactions (10,000 baht and over) in conducting my analysis. I have volunteered to do this and so have not received (or expected to receive) any payment for my time.

Audit Opinion

My responsibility is to express an opinion on the financial report based on my audit. I have conducted my audit in accordance with the International Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used where appropriate and the reasonableness of accounting estimates made by [those charged with governance], as well as evaluating the overall presentation of the financial report.

In my opinion, the financial report presents fairly, in all material respects, the financial position of the LBWVB Event for 2016 as at 30 November 2016 and of its financial performance and its cash flows for the period from 1 December 2015 through to 30 November 2016. I can find no evidence of material errors, fraud or missing transactions for that period.

As usual, should any bms have any queries about my audit I would be more than happy to answer them.