

Audit of BCCI Finances

Due to the untimely passing of the BCCI Treasurer, Paul Dulong, it was decided that an audit be conducted. The Club appointed Christine Burton and Michael Catton to do the audit.

A box of financial documents and some electronic files were turned over to the auditors for review.

It should be noted that Paul kept very detailed electronic reports during his tenure as Treasurer.

It should also be noted that the documents provided for the audit were not provided by Paul himself but were collected by Paul's family members after his death.

Unfortunately, when the documents were reviewed, it was found that several documents noted in the electronic files were missing.

The majority of invoices, bank statements, receipts (including PayPal statements and credit card statements) and other documents were not included in the package.

As a result, it is impossible to do an accurate reconciliation of the finances of the BCCI.

Based on the information provided, some areas of concern were noted.

1. The annual financial reports were audited by a non-member of the Club which is contrary to the BCCI By-Laws Section J – Finance – Item 4 which reads:

Item 4 - Audit

The financial records of The Club shall be audited by two (2) members in good standing of The Club appointed to do so at the Annual General meeting.

2. Indication that expenses for Club members attending BCCI Specialties were covered by the Club.
3. Sponsorship monies were not paid to clubs holding BCCI Regional Specialties.
4. Rebates from Regional Specialties were sent from the BCCI to members of the clubs that held the Regionals. The rebate should be sent directly to the club involved.
5. The accounting of the BCCI, NOBC and BCCO combined Specialty (Boxer Extravaganza) is contradicted in different documents.
6. One of the Boxer Extravaganza documents indicates the BCCI received \$1,000.00 sponsorship money from Royal Canin, while another document does not show the BCCI receiving Royal Canin funds but does show the NOBC and BCCO clubs receiving \$500.00 each from sponsorship. There is no documentation to explain this. The final report for the BCCI show shows Sponsor Support at \$1,000.00.

7. The BCCI National Specialty at the Boxer Extravaganza attracted a total of sixty-five (65) dogs which included eighteen (18) Sweepstakes entries. Total entry income is shown as \$1,457.00. Also included as income is \$382.00 in catalogue sales, \$1,104.80 from trophy donations, \$1,000.00 from fund raising (calendar sales), \$107.50 from a 50-50 draw and \$1,000.00 from Royal Canin which indicates a total income of \$5,051.30 which amounts to income of \$77.71 for each dog entered – including sweepstakes entries.
8. The BCCI National Specialty at the Extravaganza was held on Sunday. It was a one day show.

Expenses of concern at the show include:

\$74.02 for Hotel - Ring Steward (no receipt or documentation)

\$254.25 for the VIP Room. The room was rented for two nights and was used by the BCCI, BCCO and NOBC yet all the costs associated with this room were born by the BCCI.

Although there is no invoice or other documentation, it appears that ring set up / take down expenses for the entire weekend amounted to \$50.00. Expenses were divided as follows: BCCI \$350.00, BCCO \$75.00 and NOBC \$75.00.

Trophies and prizes for the BCCI Extravaganza Show are shown as \$2,068.09 but invoices do not support this number.

It appears that all monies for the Extravaganza – BCCI, BCCO and NOBC were funnelled through the BCCI bank account.

Summary

As noted earlier in this report, this audit was ordered after the death of Paul Dulong. The documentation was not provided by Paul himself but rather by his family. Paul is no longer with us and is not able to explain / clarify the areas of concern.

The documentation provided to the auditors does not provide the information required to provide an accurate or meaningful accounting of the BCCI finances.

Suggestions

1. The accounts of the BCCI be used for nothing other than BCCI transactions.
2. Invoices / receipts be provided for any and all payments and these receipts / invoices be kept by the Treasurer and provided to the auditors.
3. We return to the procedures mandated by the BCCI By-Laws. At the end of each fiscal year, the books of the company including receipts / invoices and all other documentation be provided to two auditors who are members in good standing of the BCCI. The accounts are to be audited and the results – including any discrepancies, missing receipts / invoices and other documentation are to be brought to the attention of the treasurer and the Executive for explanation and clarification. The final report is

to be posted on the members only portion of the website and brought to the attention of the membership of the Club so the operations of the Club are transparent.

Submitted by Michael Catton and Christine Burton, auditors for the BCCI.

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