

Majlis Ansarullah Audit

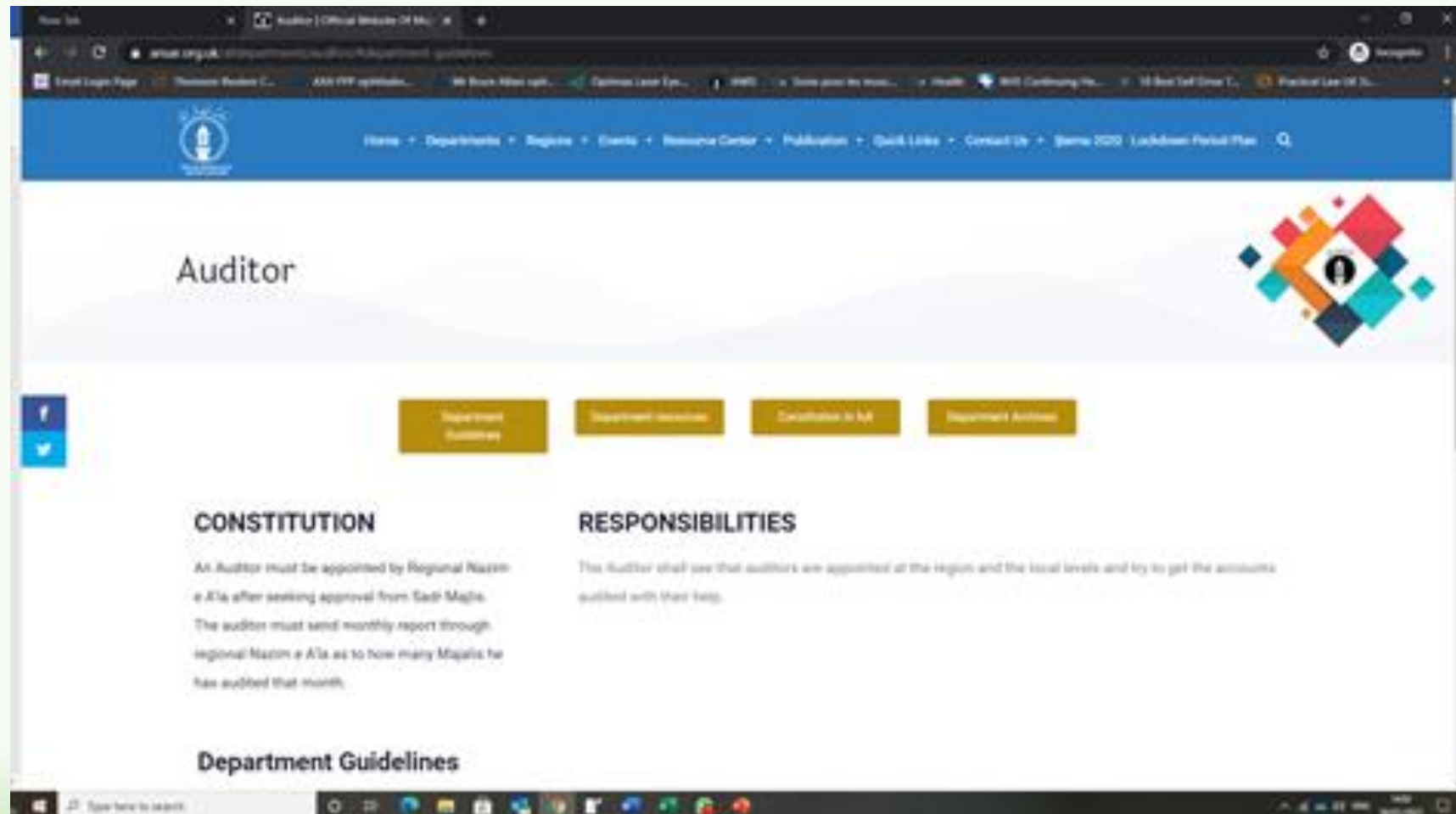
Refresher Course 2021



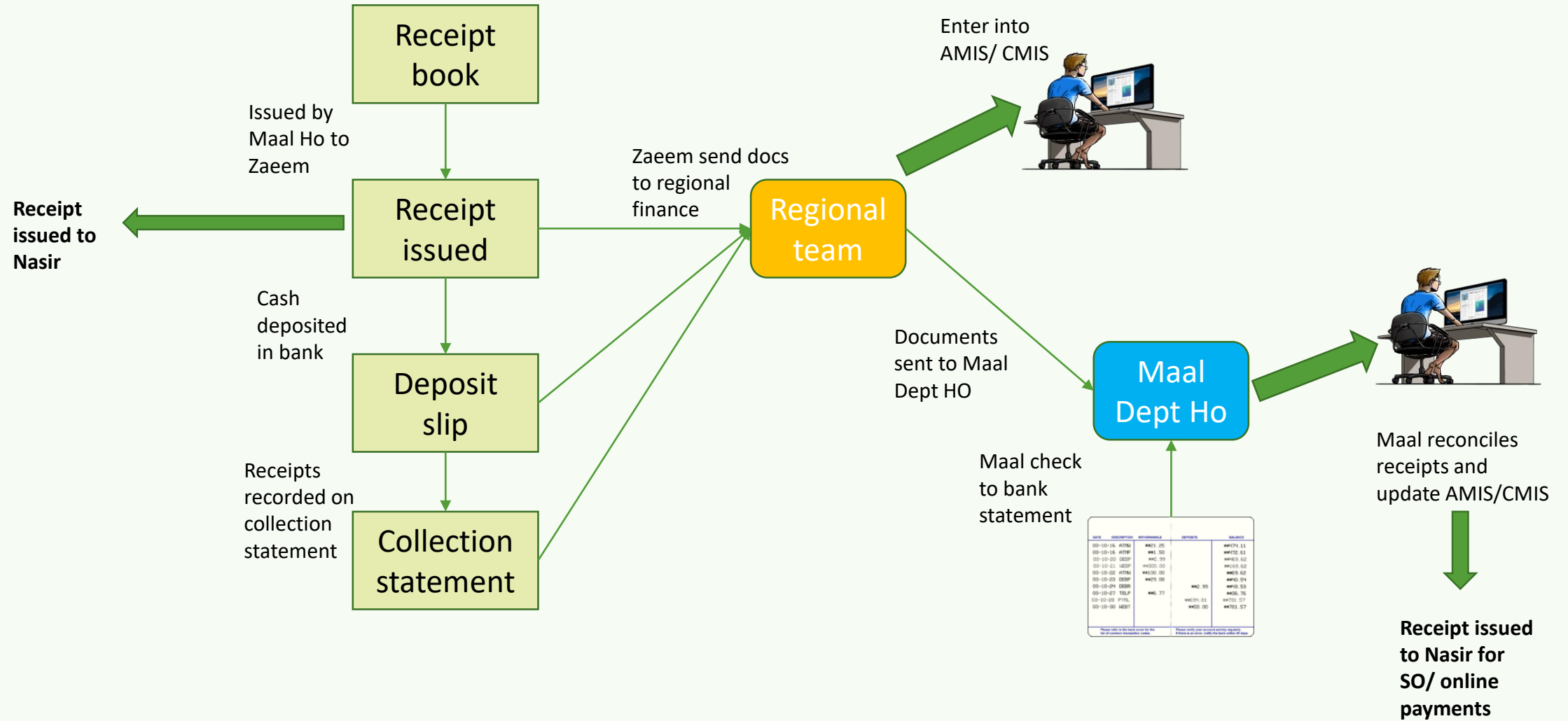
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Admin matters: **New email address: auditor@ansarullahuk.org**

Auditor page on ansar.org.uk



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AMIS Site:

The screenshot displays the AMIS Management System dashboard. The interface includes a top navigation bar with the AMIS logo, a user profile section, and a sidebar menu on the left. The main content area is divided into several sections:

- Calendar:** Shows the date as January 30, 2021, Saturday, 5:45 PM, with a clock icon.
- TODAY'S SALAT TIMES:** A table showing prayer times for Fajr, Sunrise, Dhuhr, Asr, Maghrib, and Isha.
- UPCOMING EVENTS:** A section with a filter dropdown set to 'ALL' and buttons for 'MY DAILY', 'MY REGIONAL', 'MY LOCAL', and 'PASTED'. It currently shows 'No Data Available'.
- ANNOUNCEMENTS:** A section showing 'No Data Available'.
- INCOME AT-A-GLANCE:** A section showing 'No Data Found'.

The dashboard is designed with a clean, modern aesthetic using a teal and white color scheme. The sidebar menu includes links for Dashboard, Announcements, Message Center, Member Profile, Organization, Reports, External Organization, and Report of Issue.

| Prayers | London Mosque | My Location |
|---------|---------------|-------------|
| Fajr | 04:12 | 04:12 |
| Sunrise | 07:43 | 07:43 |
| Dhuhr | 12:14 | 12:14 |
| Asr | 14:25 | 14:25 |
| Maghrib | 18:47 | 18:46 |
| Isha | 19:17 | 19:16 |

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- **Audit objectives -Donations:**

✓ All chandas and other receipts have been banked and accounted for:

| Risks | Causes | Audit steps |
|--|---|---|
| Chanda collected but no receipt issued | Forgot to issue receipt/ wrong amount on copy receipt/ misappropriation | Review list of non-payers on regular basis and call/ talk to the Nasir/ ensure no corrections on copy receipt |
| Receipt issued but money not banked/ delayed banking | Forgot to issue receipt/use old receipt book/ misappropriation | Ensure all receipt books are properly used/ check receipts from book to money deposited |
| Receipts issued incorrectly-wrong member details/ amount | Human error/ illegible pen used | Check amount banked to receipt totals/ ensure that members are getting statements and checking these |
| Receipt not recorded/ incorrectly recorded in system/ wrong period | Collection statement incorrectly prepared/ human error on system input | Checking details of receipts to system records (at Maal Dept/ regional systems)/ bank reconciliation |

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- **Audit objectives- Expenses:**

✓ All expenses claimed have been properly incurred and accounted for

| Risks | Causes | Audit steps |
|--|---|---|
| Expense claimed but not incurred/ unauthorised | Error in claiming/ not incurred for Ansar function/ no documents/ advances without any receipts for amount spent | Check expense to supporting documents/ ensure function held/ receipts received for advances and balance returned/ proper authorisation local and/or HO/budgets |
| Wrong amount claimed/paid | Writing error/ calculation error | Check to supporting original document (not copy) |
| Expense incorrectly recorded (amount/ account/ wrong period) in accounts | Human error/ lack of bank reconciliation | Check accounts to expense claims/ bank reconciliation/ budgets at HO |

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- **Managing Audit Risks -Donations**

To achieve the objectives, the audit procedures need to ensure that the risks have been mitigated at both Majalis/Regional level and at the HO:

| Main risks relating to income: | Risks covered by Regional auditor | Risks covered by HO auditor |
|---|-----------------------------------|-----------------------------|
| Chanda collected but no receipt issued or banked | × | |
| Receipts issued but money not banked/ banked after long delay | × | x |
| Receipts issued incorrectly (wrong AIMS number/wrong majalis/ wrong chanda type; incorrect amount; incorrect total) | × | |
| Receipt not recorded/ incorrectly recorded on collection statement | × | X |
| Receipt not recorded/ incorrectly recorded in AMIS | | × |
| Receipt not recorded on timely basis/ in wrong period in AMIS | | x |

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Managing Audit Risks -Expenses

| Main risks relating to expenses: | Risks covered by Regional auditor for regional/majalis expenses | Risks covered by HO auditor for other expenses |
|--|---|--|
| Expense claimed and paid but not incurred/ no supporting documents | × | × |
| Expense claimed and paid but not properly authorized | × | × |
| Expense claimed incorrectly (wrong amount/ calculation errors) | × | × |
| Expense incorrectly recorded (wrong party; wrong budget head) | × | × |
| Expense not recorded on timely basis/ wrong period | × | × |

In addition Majlis Ansarullah and CWFP as registered charities faces a number of regulatory and compliance risks that will need to addressed.

AUDITOR'S DUTY TO ENSURE THAT RISKS HAVE BEEN FULLY UNDERSTOOD AND COVERED DURING THE AUDIT

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- **Audit Work:**

- The audit work is done in three sections:

- ✓ Pre-audit questionnaire- to understand controls over donations and expenses

- ✓ Audit of donations received in the quarter/ period

- ✓ Audit of expenses paid in the quarter/ period

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- Audit Work:

MAJLIS ANSARULLAH UK – REGIONAL AUDIT SHEET

Section A: Pre-audit questionnaire

Region:

Majlis Audited:

Zaeem: _____ Finance Secretary _____

Period:

Date of audit:

| <u>Checklist</u> | <u>Notes</u> |
|--|--------------|
| Receipt books: | |
| <i>Guidance:</i> <i>Control over the receipt books is essential to ensure that all the collections are properly accounted for and banked.</i> | |
| 1. Is register kept showing receipt books received and sent back to HO. | |
| 2. Date when last stock of receipt books received. | |

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- **Audit Work:**

ANSARULLAH UK – REGIONAL AUDIT SHEET

Section B: Detailed Audit for Donations

Region:

Majlis Audited:

Zaeem: _____ Finance Secretary _____

Period:

Date of audit:

1. Information from Finance dept at HO

Obtain these details from HO before start of the audit:

- Printout of receipt book issued to the region showing receipt books by Majalis
- printout of missing receipts for the Region and Majalis.

2 Inspect all the receipt books available with the Finance

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- Audit Work:

| | | | | | | | |
|---|--|--|--|---|--|--|--|
| <p style="text-align: center;">MAJLIS ANSARULLAH UK – REGIONAL AUDIT SHEET</p> <p style="text-align: center;"><u><i>Section C: Expenses</i></u></p> <p>Region: _____</p> <p>Majlis Audited: _____</p> <p>Zaeem: _____ Finance Secretary _____</p> <p>Period: _____</p> <p>Date of audit: _____</p> <p>This audit is to cover the expense payments from grants received for the region and each Majlis.</p> <table border="1"><tr><td>1. Obtain a copy of the bank statement for any local bank account used for grants. Otherwise obtain details of the money held.</td><td></td></tr><tr><td>Obtain explanation for any large unused grant amounts not returned to the HO.</td><td></td></tr><tr><td>2. Obtain a list of expenses incurred for the quarter (or since last audit) and a reconciliation of the grant amount received and expenses incurred. Ensure that the</td><td></td></tr></table> | | 1. Obtain a copy of the bank statement for any local bank account used for grants. Otherwise obtain details of the money held. | | Obtain explanation for any large unused grant amounts not returned to the HO. | | 2. Obtain a list of expenses incurred for the quarter (or since last audit) and a reconciliation of the grant amount received and expenses incurred. Ensure that the | |
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| 2. Obtain a list of expenses incurred for the quarter (or since last audit) and a reconciliation of the grant amount received and expenses incurred. Ensure that the | | | | | | | |

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- **Audit Work: Pre-audit questionnaire –Section A Form**

- This should be completed at the beginning of the year or when a new finance secretary is appointed.
- Objective is to assess whether or not the finance secretary has good control over:
 - Receipt books received and used
 - The issue of receipts
 - The completion of the collection statements and depositing of cash collected, and
 - The payment of expenses.

THE QUESTIONNAIRE WILL HIGHLIGHT ANY ISSUES THAT NEED TO BE CAREFULLY CHECKED AS PART OF THE DETAILED AUDIT WORK

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Audit Work: Detailed Audit Procedures

➤ Detailed audit of Donations –Section B Form:

- ✓ Check all the receipts issued in the quarter
- ✓ Ensure there are no missing receipts
- ✓ Ensure collection statements properly completed
- ✓ Ensure that cash collected is deposited on time and agrees to the total amount on the collection statement. There should be a deposit slip for each collection statement.

➤ Detailed audit of Expenses –Section C Form:

- ✓ Check all the expenses incurred and paid for from the Majlis grants and regional grants
- ✓ Ensure all expenses are supported by third party invoices/ receipts
- ✓ Ensure all expenses have been properly approved
- ✓ Any unused cash is accounted for.

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- **Regional Audit Work:**

- All audit work needs to be undertaken on a quarterly basis to cover both donations received and expenses.
- The audit should cover all the Majalis in the region.

The audits should be completed within one month after the end of each quarter and report sent to the national audit team.

Any major issues should also be reported to the regional Nazime-Ala/ Zoama-Ala so that corrective action can be taken

Sadr Sahib has instructed that Regional and Majalis grants will only be paid when the regional audits have been completed for the year.

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PLANS FOR 2021 - Regional Audit Work:

➤ **During Lockdown Period- within one month following end of each quarter**

NOTE THE AUDIT WORK CAN BE DONE VIA ZOOM IF THIS CAN BE ARRANGED.

1. To contact all the Zaeems in the region and obtain details of receipt books held/ used/ returned in the period. Note first and last receipt number used from each book.
2. To request for scanned copies or photos of the collection statements along with the deposit slips. For security purposes, it would be best if such photos or scanned copies are sent via Whatsapp/ using official Ansarullah emails (when available).
3. To ensure that receipts noted on the collection statements are in sequence and any receipt with no amount is stated as cancelled. If there are missing receipts, to get explanations/ photos of white copy to check that receipts have not been missed by error.
4. To check the totals on the collection statements.
5. To agree the total amount collected to the deposit slips. In cases of differences, to get full explanations. For all shortage of cash deposited, to ensure that copies of the subsequent deposit slips are received confirming that the short amount has been deposited.
6. To complete the Region Audit Quarterly Worksheet (Section B) for submission to HO Audit Dept. For all errors to also submit copies of collection statements/ deposit slips/ receipts.
7. To obtain scanned copies/photos of expense claims and complete the Section C schedule. Copies of expense claim to be sent to HO Audit Dept. Zaeem is to also submit the expense claim to Maal Dept.

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PLANS FOR 2021 – Additional Plans for Regional Auditors:

- Arrangements to be made for special “audit week” each quarter. This will place responsibility on both the regional and Majalis finance teams to ensure their audits are completed on time. The timing of the such weeks to be agreed locally by regional auditors. Best to arrange for last weeks of April, August, October and following year January.
- In addition to refresher course, to arrange at least two auditors meetings via Zoom to discuss progress and issues. The timing to be agreed with regional auditors (May/ November).
- Visits/ Zoom meetings by central audit team to assist in audits of Majalis where difficulties are being faced.
- Online forms- to use the Ansarullah Virtual Office to digitise audit checklists and schedules for ease of completion online and submission to HO audit.

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PLANS FOR 2021 - Work in HO Maal Dept (subject to Covid restrictions):

➤ Receipt Books

- To check receipt books issued and returned have been correctly recorded in AMIS/ CMIS
- Receipt books held in stock are correct
- If possible generate reports from the AMIS/CMIS showing outstanding receipt books and missing receipts and circulate to regional auditors on periodic basis for follow up.
- Follow up with assistance from Regional Auditors, receipt books fully used and not returned to Maal Department

BOOK No 2589 - History

| Book No | Date | Circulation Status | Receipt_no From | Receipt_no To | Details | Notes |
|---------|-------------|--------------------|-----------------|---------------|--|-------|
| 2589 | 01 Jan 2012 | In Stock | 179401 | 179450 | Added To Stock --- | |
| 2589 | 08 Jun 2014 | Issued | 179401 | 179450 | Issued to East,North London,179450 - Ishtiaq Ahmed | --- |
| 2589 | 18 May 2018 | Recalled | 179401 | 179450 | Book Completed Due to Audit | |
| 2589 | 28 Jun 2020 | Issued | 179401 | 179450 | Issued to Fazal,Southfields,Latif Ahmad - 42859 | --- |

BOOK No 2044 - History

| Book No | Date | Circulation Status | Receipt_no From | Receipt_no To | Details | Notes |
|---------|-------------|--------------------|-----------------|---------------|--|-------|
| 2044 | 01 Jan 2012 | In Stock | 152151 | 152200 | Added To Stock --- | |
| 2044 | 01 Apr 2013 | Issued | 152151 | 152200 | Issued to Baitul Futuh,Cheam,152200 - Muzaffar Ahmad Zafri --- | |

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PLANS FOR 2021 - Work in HO Maal Dept (subject to Covid restrictions):

➤ Missing receipts

- Preparing a control schedule of collection statements received to highlight Majalis that have delayed or have not sent such statements.
- To check on sample basis that collection statements received by Maal Dept are agreed to attached receipts and correctly recorded in AMIS/CMIS.
- Follow up on receipts shown as “unused” (missing) in sequence of issued receipts with Regional Auditors/ Maal team.

| Book Number 4900 | | | | | | | | | | | | | |
|------------------|------------|-----------|---------|------------|-----------|-----------|------------|---------|--------------------|-------------------------------|------------|--------------------|----------|
| Receipt N | Status | Name | Amis ID | Region | Majlis | Date | Receipt Ty | Payment | Donation Type | Descriptio | Behalf Off | Amount | Total |
| 294951 | Issued | Kalim Ahr | 54940 | Baitul Ehs | Cheam | 03-Apr-19 | Manual | Cash | '4170' | Cardiff Mosque | | Â£50.00 | Â£50.00 |
| 294952 | Issued | Khalid Ma | 46187 | Baitul Ehs | South Che | 05-Apr-19 | Manual | Cash | '4171' | Cardiff Mosque 2019 | | Â£5.00 | Â£5.00 |
| 294953 | Issued | Mir Abdul | 42732 | Baitul Ehs | Cheam | 05-Apr-19 | Manual | Cash | '4010' | Chanda Majlis | | Â£60.00 | Â£60.00 |
| 294954 | Issued | Ayaz Ahm | 37877 | Baitul Ehs | Cheam | 09-Apr-19 | Manual | Cash | '4020, 4030' | Chanda Ijtema, Ansaruddin | | Â£15.00, Â£20.00 | |
| 294955 | Not Issued | | | | | | | | | | | | |
| 294956 | Issued | Mahmood | 48251 | Baitul Ehs | Cheam | 12-Apr-19 | Manual | Cash | '4010, 4171' | Chanda Majlis, Cardiff Mosque | | Â£10.00, Â£15.00 | |
| 294957 | Issued | Bilal Ahm | 38019 | Baitul Ehs | Cheam | 12-Apr-19 | Manual | Cash | '4010' | Chanda Majlis | | Â£128.00 | Â£128.00 |
| 294958 | Issued | Munir Ahr | 49970 | Baitul Ehs | Cheam | 14-Apr-19 | Manual | Cash | '4010, 4020, 4030' | Chanda Majlis, Chanda Ijtema, | | Â£120.00, Â£150.00 | |
| 294959 | Issued | Khurshid | 45093 | Baitul Ehs | Cheam | 15-Apr-19 | Manual | Cash | '4010, 4020, 4030' | Chanda Majlis, Chanda Ijtema, | | Â£45.00, Â£60.00 | |
| 294960 | Issued | Mohamm | 36343 | Baitul Ehs | Cheam | 15-Apr-19 | Manual | Cash | '4010, 4020, 4030' | Chanda Majlis, Chanda Ijtema, | | Â£10.00, Â£30.00 | |
| 294961 | Issued | Ameen Sl | 58349 | Baitul Ehs | Cheam | 19-Apr-19 | Manual | Cash | '4010' | Chanda Majlis | | Â£100.00 | Â£100.00 |
| 294962 | Issued | Ameen Sl | 58349 | Baitul Ehs | Cheam | 26-Apr-19 | Manual | Cash | '4010, 4020, 4030' | Chanda Majlis, Chanda Ijtema, | | Â£40.00, Â£60.00 | |
| 294963 | Issued | Zahour Ah | 41641 | Tahir | Clapham | 03-May-19 | Manual | Cash | '4010' | Chanda Majlis | | Â£5.00 | Â£5.00 |
| 294964 | Issued | Mahmood | 48251 | Baitul Ehs | Cheam | 28-May-19 | Manual | Cash | '4170' | Cardiff Mosque | | Â£5.00 | Â£5.00 |
| 294965 | Issued | Mahmood | 48251 | Baitul Ehs | Cheam | 28-May-19 | Manual | Cash | '4010' | Chanda Majlis | | Â£10.00 | Â£10.00 |
| 294966 | Issued | Kaleem Ba | 27199 | Baitul Ehs | Cheam | 28-May-19 | Manual | Cash | '4010, 4020, 4030' | Chanda Majlis, Chanda Ijtema, | | Â£252.00, Â£310.00 | |

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PLANS FOR 2021 - Work in HO Maal Dept (continued):

➤ On-line receipts –to check that:

- online donations (Worldpay/ JustGiving and direct bank transfers) have been recorded in the system and receipts issued.
- Standing orders received are reconciled and receipts issued

➤ Bank reconciliations

- Reviewing bank reconciliations work for unreconciled collections/ expenses.

➤ HO Expenses

- Detailed audit of expenses incurred and paid by HO Maal team.
-

➤ Compliance review

- GDPR policies/ IT security policies/Accounting policies

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ANY QUESTIONS?