

**Mobile Manor
Audit 2019**

Water

1. December statement missing. Davis has still not delivered December or January 2020 statements.
2. Check #1437 for \$300.00 to Davis is missing.
3. Check #1443 to Kathy Kwik is missing never debited
4. Check #1456 & 1444, copied and issued twice (technical forgery, no criminal intent)
5. Credit card receipts missing. Some with no voucher shoved in a misc folder.

Inc.

1. Credit card receipts missing (others thrown in a misc folder with no voucher)
2. Transfer from Inc to water of \$145.94 with no reason listed.
3. \$24.00 deposit made to account with no entry on where it came from.
4. Check #2129 for \$21.29 to Tractor supply is missing.
5. Check #3096 for \$720.00 is outstanding
6. Debit entries on bank statement to Hope Chest for \$34.61 and Tractor Supply for \$21.29 had no voucher or receipts (checks were not written for these expenses).

Summary

The audit of Mobile Manor Inc. & Mobile Manor Water was completed on Saturday February 29, 2020. The audit commenced at 10 AM and was finished at 4:45 PM. Present were Butch Sims, Timothy Burchfield, Judith Pencherek, and Audit Chair John Horan. Rodney Waryasz, Falk Ware and Pauline Lacourse were present as observers and helped with clarifications.

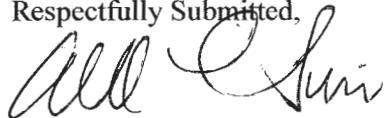
The committee has determined that there was considerable misfeasance resulting in careless bookkeeping. Such carelessness has caused extra work for the office staff to try and locate missing receipts and match those receipts with vouchers. In some cases it became impossible to verify who caused the expenditure and to determine its validity. The failure of Mobile Manor's CPA to deliver December's and January's bank statements has also made it impossible to find several missing checks.

Additionally, blank checks were drafted twice with altered signatures. It was determined that the original checks were copied (Xeroxed) and filled in, then copied a second time. The original blank checks were then redrafted and debited against Mobile Manor's account. This type of activity raises the perception of fraud and meets the technical definition of forgery. However, notwithstanding the aforementioned, the original expenditures appeared to be justified and the committee found no evidence of criminal intent.

Finally, because of the missing bank statements, the committee was unable to balance the books. However, the committee did not find any suspicious expenditures and the Balance Sheet, Profit and Loss and Budget vs. Actuals appear to be in order through November 2019.

The committee has determined that corrective action is needed. In some cases corrections have already been made. However, should certain practices along with sloppy book keeping continue, it will eventually lead to mistrust by the membership with a corresponding loss in dues paying members.

Respectfully Submitted,



August (Butch) Sims
Audit member