



The Hale Group, LLC

February 9th, 2020

Ada Moorings Condo Association Board of Directors:

I performed a comprehensive review of the financial records of the Ada Mooring Condo Association for the years ending December 31, 2018, and December 31, 2019. The purpose of the financial records review was to ensure that the Ada Moorings Condo Association books have been properly managed, recorded, and reconciled on a monthly basis. The review ensured that the Ada Moorings Condo Association financial statements – the Balance Sheet and Profit and Loss Statement, are free of material misstatements and thereby accurately reflect the financial performance of the organization.

In order to perform the financial review, I used the internal audit trail report generated from QuickBooks for the period January 1st – December 31, 2018, and 2019. I reviewed each external invoice to determine that the correct amount was paid, and that it was paid on time. I reviewed each homeowner payment, or payments, for those that installment pay, to ensure the checks were deposited on a timely basis after receipt by the Treasurer. I used the Chase Bank monthly bank statements for the checking and savings account

On a monthly basis, the Treasurer, Jeff Yost, records all Association vendor invoices using QuickBooks software. Most invoices are paid by check, some are paid using online bill pay with Chase Bank. All invoices are marked by Jeff as paid and the date paid. The check #, or

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online bill payment confirmation #, is recorded on the original invoice as well. All invoices were paid on time, no late fees or finance charges were assessed. The payments are first recorded in QuickBooks to pay the homeowner dues invoice. Jeff deposits all dues checks upon receipt. Most of the checks are deposited at the Chase Bank branch using deposit slips. All deposit slips were included with the monthly bank statements. Some checks were deposited using the Chase Bank mobile app. This is a safe and secure method to deposit funds. This is also an efficient way to deposit 1 or 2 checks.

Every monthly bank reconciliation was reviewed with the monthly Chase Bank Statement. The checking and savings accounts reconciled each month and there were no reconciliation discrepancies. This was consistent for each of the 24 months of reconciliations for both the checking and the savings accounts. There were no outstanding checks that had not cleared the account. All dues checks were deposited in a timely fashion. Each month a QuickBooks Reconciliation report was generated and attached to the Chase Bank Statement.

A review of QuickBooks generated comparative Profit and Loss Statements was done and there were no unexplainable material variances from year to year. The Dues Income was consistent with prior years, as were most of the expenses. Expense variances existed for line items such as Common Area Maintenance – primarily Entryway Maintenance and the Tot Lot expenses.

Overall, the financial records management is extremely accurate. The

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bookkeeping is performed timely and accurately. Jeff Yost, serving as Treasurer, is performing his duties in a professional and very competent manner.

I would recommend a financial review be performed every other year to ensure the financial records management is being performed correctly. This is especially important in small organizations managed by volunteers, as it is the nature of these organizations to have just 1 or 2 people performing financial functions, which proves difficult for the most effective internal control.

Please feel free to contact me with any questions you may have. I look forward to working with you in the future.

Sincerely,

Stacey A. Hale, CPA

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