

Club SE-Michigan Model Club

Club Audit Form and Instructions

Tax Year 2018

Audit Instructions

To perform your audit, first prepare by accumulating the records required from your financial institutions and from your club bivio records.

Assemble the records needed to complete each of the 7 audit steps and assign each step to an independent committee to perform.

Perform the records comparison and note any discrepancies found. There are 7 steps to the audit process:

- 1) Verify cash balances and number of shares of stock –start of tax year
- 2) Verify cash balances and number of shares of stock–end of tax year
- 3) Verify income received
- 4) Verify expenses recorded
- 5) Verify stock transactions
- 6) Verify accuracy of member contributions
- 7) Verify accuracy of withdrawals

Discuss discrepancies with the club and the club treasurer, determine what is required to correct them and make the corrections agreed to.

Have everyone sign the forms in the correct places and file the completed forms with your club records.

Put your feet up and relax or have a party to celebrate!

Have fun in the upcoming year investing with your friends!

Records Required

(Hard Copies or Online Access)

From Financial Institution

- Monthly statements
Dec-Previous tax year through Dec-Current tax year
- Trade Confirmation Records
Individual or Summary List
- Dividend and Interest Transaction Records
From Statements or Summary List
- Checks written
Copies or Summary List
- Deposits and Withdrawals
From Statements or Summary List
- Realized Gain/Loss Report

From Club

- Receipts for expenses
- Verification of member deposits by members
From club member review of year end Member Contributions and Withdrawals report
- Monthly meeting minutes
Authorization of Expenses, stock transactions, withdrawal discussions
- Partnership Agreement
Terms for Paying Withdrawals
Allocation of Expenses
- Club records
Valuation reports-12/31/2016, 12/31/2017
-Cash balances and Shares Owned
Transaction History Report-12/31/2017
-Transactions grouped into categories
Income Statement-2017
-Shows dividends by company, Interest and Expenses recorded
Withdrawal Reports 2017
-For all members who withdrew during year
Transaction Lists (from Accounting>Accounts>transactions)-1/1/2017-12/31/2017
Dates and amounts in chronological order
Member Contributions and Withdrawals Report-2017
Transaction Ledger Report 1/1/2017-12/31/2017
Capital Gain/Loss Report 12/31/2017

Club Name SE-Michigan Model Club Date 3/4/2016

Step 1-Check end of year cash balances and number of shares-prior tax year

bivio Valuation report dated 12/31/2016

Brokerage statement 12/31/2016

Compare cash balance and number of shares of stock

Records Agree

Discrepancy Noted (Stop Audit and resolve issues)

Description _____

Audited By Cliff Trent & Alex Bodea

Step 2-Check end of year cash balances and number of shares current tax year

bivio Valuation report dated 12/31/2017

Brokerage statement 12/31/2017

Compare cash balance and number of shares of stock

Records Agree

Discrepancy Noted

Description _____

Audited By Cliff Trent & Alex Bodea

Step 3-Verify Income Received

bivio Income Statement dated 2017

Brokerage Statement 12/31/2017

3a Compare total Dividends (Qualified +MM)

Compare Total Interest

bivio Transaction History report dated 12/31/2017

Brokerage dividend transaction list 1/1/2017-12/31/2017

3b Compare dividend transactions-date, amount and company

Records Agree

Discrepancy Noted

Description _____

Audited By Cliff Trent & Alex Bodea

Step 4-Verify Expenses

bivio Income Statement Report dated 2017
Brokerage Summary List of Checks written or copies of checks

- 4a Verify expenses actually paid
- Verify receipts for all expenses recorded
- Verify all Expenses authorized by club
- Verify expenses correctly recorded as deductible or non deductible.

bivio file storage (receipts, meeting minutes)
bivio Transaction History Report 12/31/2017
Club Partnership agreement

- 4b Verify expenses allocated as club requires

- Records Agree
- Discrepancy Noted

Description _____

Audited By Cliff Trent & Alex Bodea

Step 5-Verify Stock Transactions

bivio Transaction Ledger Report dated 12/31/2017.
Brokerage trade confirmation summary report 1/1/2017-12/31/2017

- 5a Confirm transaction dates, security name, number of shares of stock, purchase/sale price, total cost or proceeds

bivio Gain/Loss Report 12/31/2017
Brokerage Realized Gain/Loss Report 12/31/2017

- 5b Compare Acquisition dates, sale date, sales price, cost basis and gain/loss amount
- Note any wash sales shown on brokerage report

bivio Investment transactions list for particular stock

- 5c For any sales where specific tax lots were sold (other than FIFO) confirm that the correct lots are included in the bivio records

bivio transaction history report 12/31/2017
Brokerage statements for month reorganization occurred

- 5d Confirm reorganizations entered and correct. (contact bivio support if necessary)

- Records Agree
- Discrepancy Noted

Description _____

Audited By Cliff Trent & Alex Bodea

Step 6-Verify Member Contributions

bivio Member Contributions and Withdrawals report dated 2017

Club partnership agreement

Brokerage Deposit transaction summary list 1/1/2017-12/31/2017 or monthly statements

Verify Club members have confirmed amounts contributed-

Have members sign off on report

Verify Payments entered using correct Valuation Date

Verify Deposits made in brokerage account

bivio Transactions History report dated 12/31/2017

Verify entries have been recorded as payments, not fees or miscellaneous income.



Records Agree



Discrepancy Noted

Description _____

Audited By Cliff Trent & Alex Bodea

Step 7-Verify Withdrawals Paid Correctly

bivio Withdrawal reports for year being audited

Club partnership agreement

Verify valuation date used to calculate withdrawal payment agrees with Partnership Agreement

Verify transaction date is date check was given to withdrawing partner

Verify records properly reconciled before processing withdrawal report (No post withdrawal adjustments)



Records Agree



Discrepancy Noted*

Description: _____

Audited By Cliff Trent & Alex Bodea

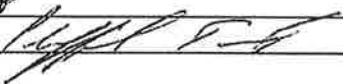
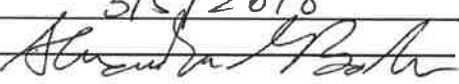
*(note that if a withdrawal has been paid, it may be impossible to correct discrepancies. This will be up to your club to determine. However, you should still note discrepancies as recommendations for future improvement)

Action Taken to Correct Discrepancies

Treasurer Signature and

Date: _____

Audit Committee Signatures and

Date: 3/5/18  3/5/2018 

Submitted to the club on, Date _____

