

Club: [TPC](#)

Club Audit Form and Instructions

Tax Year: [2021](#)

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 and Unrealized Gain/Loss Reports 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 bivio records

Valuation reports-12/31/2020, 12/31/2021 -Cash balances and Shares Owned

Transaction History Report-12/31/2021 -Transactions grouped into categories

Income Statement-2021

-Shows dividends by company, Interest and Expenses recorded

Withdrawal Reports 2021

-For all members who withdrew during year

Transaction Lists (from Accounting>Accounts>transactions)-1/1/2021-12/31/2021 Dates and amounts in chronological order

Member Contributions and Withdrawals Report-2021

Transaction Ledger Report 1/1/202-12/31/2021

Capital Gain/Loss Report 12/31/2021

Investment Lot Cost Basis Reports – dated right after the dates of any reorganizations

Club Name: [TPC](#) Date: [Feb 6, 2021](#)

Step 1-Check end of year cash balances and number of shares for prior tax year bivio Valuation (NAV) report dated 12/31/2020 Brokerage statement 12/31/2020 Compare cash balance and number of shares of stock

Records Agree

Discrepancy Noted (Stop Audit and resolve issues)

Description: [All Shares and Balances Match. Member payments after Dec meeting wait till Jan for deposit.](#)

Audited

By [Jody Tarquinto, Scot Ferman](#)

Step 2-Check end of year cash balances and number of shares current tax year bivio Valuation report dated 12/31/2021 Brokerage statement 12/31/2021 Compare cash balance and number of shares of stock

Records Agree

Discrepancy Noted

Description: [Vanguard money market off by .04 - 1039.80 vs 1039.84. Found \\$0.04 interest missing from several months statements: 2 cents December, 1 cent Oct, and 1 cent Jan. Found December VTI shares missing. Mis-Entered share sold on 12/16 bivio vs vanguard statements. These items corrected.](#)

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Step 3-Verify Income Received

bivio Income Statement dated 2021 Brokerage Statement 12/31/2021

Compare total Dividends (Qualified + Money Market)

Compare Total Interest

Bivio Transaction History report dated 12/31/2021 Brokerage dividend transaction list
1/1/2021- 12/31/2021

Compare dividend transactions-date, amount and company

Records Agree

Discrepancy Noted Description: **\$0.14 from vanguard mm and 3360.95 from stocks. Bivio matches vanguard statements. Beware that foreign taxes withheld are subtracted from dividends on balance sheet and treated as expenses on the income statement. All records match.**

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Step 4-Verify Expenses

bivio Income Statement Report dated 2021

Brokerage Summary List of Checks written or copies of checks

Verify expenses actually paid

Verify receipts for all expenses recorded

Verify all Expenses authorized by club in club meeting minutes Verify expenses correctly recorded as deductible or non deductible.

bivio file storage (receipts, meeting minutes) bivio Transaction History Report

12/31/2021 Club Partnership agreement

Verify expenses allocated as club requires

Records Agree

Discrepancy Noted

Description: **No notes for expenses in meeting minutes. No Receipts stored. Recommend we add a folder to Bivo for receipts and or screen shots. All \$231.00 were shown on the statements of known values (bivio).**

Brokerage realized gain/loss report was not originally available for review.

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Step 5-Verify Stock Transactions

bivio Transaction Ledger Report dated 12/31/2021.

Brokerage trade confirmation summary report 1/1/2021-12/31/2021

Confirm transaction dates, security name, number of shares of stock,

purchase/sale price, total cost or proceeds

bivio Capital Gain/Loss Report 12/31/2021 Brokerage Realized Gain/Loss Report

12/31/2021 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

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 12/31/2021

Brokerage statements for month reorganization occurred

bivio Investment lot cost basis report – dated right after date of reorganization Brokerage

Unrealized gain/loss report

Confirm reorganizations entered correctly. (contact bivio support if necessary) Confirm cost basis of all shares involved agrees with what broker shows after reorganization. Records

Agree

Discrepancy Noted

Description: [All brokerage trade confirmation summary reports match. Created a comparison for Vanguard Cap Gain Loss Report highlighted differences between Bivio and Vanguard. Vanguard notes wash sales; Bivio does not. Helen is investigating. Vanguard LT gains noted at 38275.52 and Bivio Notes at 38390.89. Short team gains 2147.45 vs 2100.36. Spreadsheet shared with Helen. I believe differences are why we attempted to reset value on VWO. Recommend team further investigate. This will need to be repeated after the Wash Sales and adjusted by Bivio.](#)

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Step 6-Verify Member Contributions

bivio Member Contributions and Withdrawals report dated 2021

Club partnership agreement

Brokerage Deposit transaction summary list 1/1/2021-12/31/2021 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 12/31/2021

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

Records Agree

Discrepancy Noted

Description: [Club agreement says payments post prior to meeting. I observed several incidences where payments post on same day and some payments made monthly meeting other on same day did not; suspect that is due to some posting in AM where other were PM. All reconciled. Awaiting member confirmation. I believe this is not a common practice.](#)

[Each member must verify their own contributions; however, there are discrepancies in the way TPC contribution are recorded in Bivio Vs how they are recorded in the Brokerage Deposit Transactions:](#)

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Step 7-Verify Withdrawals Paid Correctly

Review 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

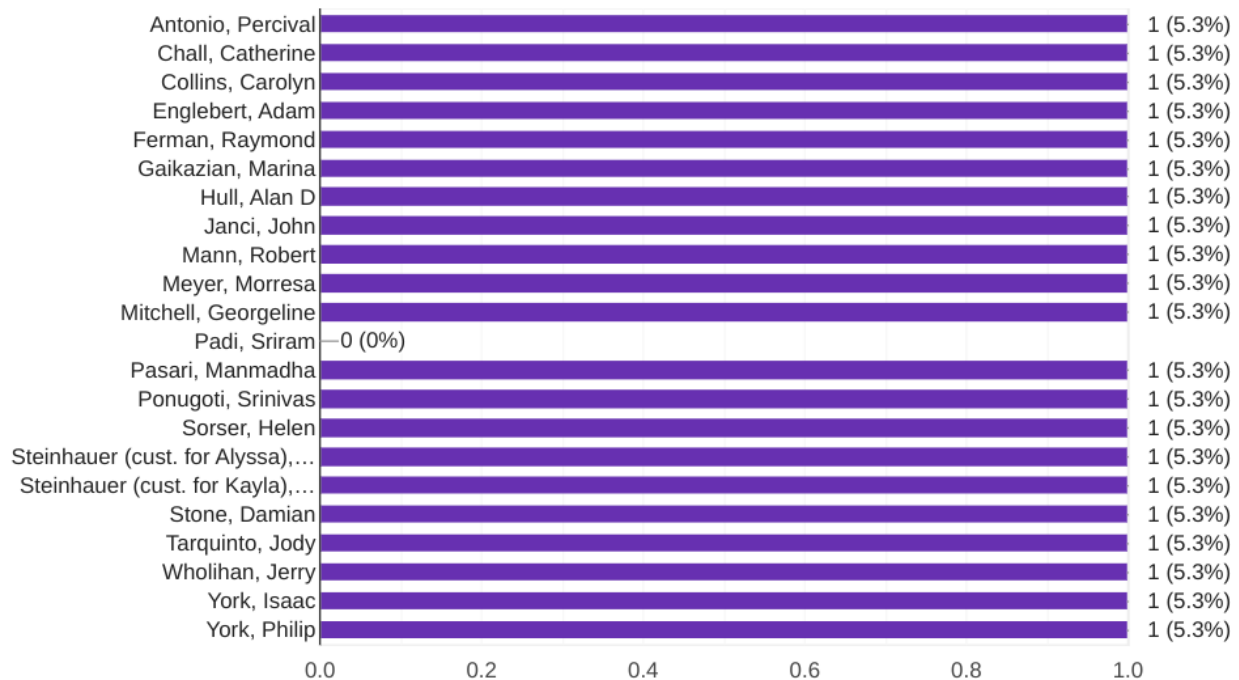
Verify records properly reconciled before processing withdrawal report (No post withdrawal adjustments)

Records Agree

Discrepancy Noted*

Description: [All withdrawals were processed correctly. The Adam Withdraw in May was not noted in minutes but processed correctly. The Jan 1 cent adjustment to Patel, Bhavin did not have a corresponding credit on a debit to his account which zero'd it. We added a corresponding credit to misc income, which applied back to zero. All records match.](#)

[Audit form below showing all active members confirming all deposits and withdrawals are correct. Recommend vote to accept all correct. Srinivas Padi was assessed by Treasurer at time of withdrawal and 2 auditor during the audit. All data is correct.](#)



Audited

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*(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 & Recommendation

Members should add phone numbers to contact information

Receipts should be uploaded to Bivio as PDF in receipt folder.

Pdf statements (DFCU & Vanguard) should be uploaded to Bivio.

Minutes and Treasures Report to contain more details on expenses and withdrawals.

Recommend we target deposits after 1st of the month and before meeting (especially at end of year - Dec).

Recommend Before leaving the club and receiving final check - to confirm deposits and withdrawal amounts!

Recommend a Quarterly and or Simi Annual Audits.

Treasurer Signature and

Date: _____

Audit Committee Signatures and

Date: Jody Tarquinto /s/ March 9, 2022 & Scot Ferman /s/ March 9, 2022.

Submitted to the club on,

Date: March 16, 2022.