

Club _____

Club Audit Form and Instructions

Tax Year _____



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-12/31/2015, 12/31/2016
 - Cash balances and Shares Owned
 - Transaction History Report-12/31/2016
 - Transactions grouped into categories
 - Income Statement-2016
 - Shows dividends by company, Interest and Expenses recorded
 - Withdrawal Reports 2016
 - For all members who withdrew during year
 - Transaction Lists (from Accounting>Accounts>transactions)-1/1/2016-12/31/2016
 - Dates and amounts in chronological order
 - Member Contributions and Withdrawals Report-2016
 - Transaction Ledger Report 1/1/2016-12/31/2016
 - Capital Gain/Loss Report 12/31/2016

Club Name _____ **Date** _____

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

bivio Valuation report dated 12/31/2015

Brokerage statement 12/31/2015

Compare cash balance and number of shares of stock

- Records Agree
- Discrepancy Noted (Stop Audit and resolve issues)

Description _____

Audited By _____

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

Description _____

Audited By _____

Step 3-Verify Income Received

bivio Income Statement dated 2016

Brokerage Statement 12/31/2016

Compare total Dividends (Qualified +MM)

Compare Total Interest

bivio Transaction History report dated 12/31/2016

Brokerage dividend transaction list 1/1/2016-12/31/2016

Compare dividend transactions- date, amount and company

- Records Agree
- Discrepancy Noted

Description _____

Audited By _____

Step 4-Verify Expenses

- bivio Income Statement Report dated 2016
- 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
 - Verify expenses correctly recorded as deductible or non deductible.
- bivio file storage (receipts, meeting minutes)
- bivio Transaction History Report 12/31/2016
- Club Partnership agreement
 - Verify expenses allocated as club requires

- Records Agree
- Discrepancy Noted

Description _____

Audited By _____

Step 5-Verify Stock Transactions

- bivio Transaction Ledger Report dated 12/31/2016.
- Brokerage trade confirmation summary report 1/1/2016-12/31/2016
 - Confirm transaction dates, security name, number of shares of stock, purchase/sale price, total cost or proceeds
- bivio Gain/Loss Report 12/31/2016
- Brokerage Realized Gain/Loss Report 12/31/2016
 - 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 12/31/2016
- Brokerage statements for month reorganization occurred
 - Confirm reorganizations entered and correct. (contact bivio support if necessary)

- Records Agree
- Discrepancy Noted

Description _____

Audited By _____

Step 6-Verify Member Contributions

bivio Member Contributions and Withdrawals report dated 2016

Club partnership agreement

Brokerage Deposit transaction summary list 1/1/2016-12/31/2016 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 12/31/2016

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

- Records Agree
- Discrepancy Noted

Description_____

Audited By_____

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_____

*(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)

