

Burks' Bookkeeping & Tax Service

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February 10, 2010

Tabb Lakes Homes Association

P.O. Box 8088

Yorktown, VA 23693

Attention: Board Members

Ladies and Gentlemen:

I have performed a review of the accounting records for the period of October 2008 through September 2009 of the Tabb Lakes Homes Association. The report of my findings from this review follows.

Expenses

I randomly reviewed the disbursements from the BB&T bank account number 0005233841101, and found the expenditures to be, in general, properly documented and consistent with expected expenses for your organization based on prior reviews. Each check had a carbon stub attached to the invoice for the service rendered and each matched the bank statement.

The following items should be noted and amended on the Treasurer's Report:

- THIS WAS A
VOIDED CHECK
C. Rossi 4/18/10*

1. Check number 2095 was not included in the reports. The check did not clear the bank, so it is assumed voided. The carbon from voided checks should be included in the records, though no notation is required on the Treasurer's Report.
- IT WAS INCLUDED
IN THE TOTAL TAX
EXPENSE THAT MONTH
(3 CHECKS) C. Rossi 2/18/10*

2. Check number 2104 paid to Internal Revenue Service for the 2008 corporate tax liability was not included on the Treasurer's Report. A separate line should **DONE!** be added to the report for Income Taxes to distinguish those from other taxes of the organization.
- SAME AS #2 ABOVE
C. Rossi 2/18/10*

3. Check number 2110 for the first estimate for the 2009 taxes was not shown on the Treasurer's Report. The estimated taxes can be included with the Income Taxes.

Income

I reconciled each deposit for the review period to the BB&T statement for the corresponding month. Most of the deposits from the bank statements are accurately shown on the Treasurer's spreadsheet. Following are the items that should be reviewed and amended for the Treasurer's Report:

1. A deposit of \$200.00 is shown in the operating account dated December 19 on the bank statement for December 2008, but is not reflected on the spreadsheet.
2. A deposit of \$906.60 on March 23 into the operating account is shown on the bank statement for March 2009 but does not appear on the spreadsheet. An expense in this amount is shown under the lakes account in this same amount. If this is a transfer of funds, a notation should be made on the spreadsheet for reference purposes.
3. A \$25,000.00 deposit into the operating account dated July 31 appears on the July 2009 bank statement. There is no documentation of this and the source of the funds is unknown.

THIS WAS FROM
THE LAKE BOND FUND
THAT WAS USED TO
PAY TAX. IT'S NOT INCOME
C. ROWE 2/16/10

IT IS ON
SHEET C
letter ad
C. Rowe 2/16/10

THIS WAS A
RETURNED
T-ROWE PA
NOT INCOME
C. Rowe
2/16/10


Cash and Investments

The balance in the cash account and the investment accounts is included on the Treasurer's Report and balance changes have been documented.

Conclusion

Overall I found the financial records for the Tabb Lakes Homes Association to be well maintained. The items mentioned above should be addressed and changes made to the report where needed to provide a complete financial picture of the review period for the board and the homeowners. The treasurer should be commended for his attention to detail and his efforts in providing good documentation and record of the Association's financial dealings.

Regards,



Stephanie B. Sarris