30-1

Oceanview Marine Company
Accounts Payable Leadsheet
December 31, 2015

Account Number and Name	2015 Balance	Net Adjustments	2015 Adjusted Balance	2014 Balance	% Change (before adjustment)
2010 — Accounts payable *30-10*	1,750,831 *G/L*			1,403,247 *PY*	24.77%

Tickmark legend

G/L *Agreed to general ledger.*

PY *Agreed to prior year's workpapers.*

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Oceanview Marine Company

Adjusting Journal Entries: Accounts Payable

December 31, 2015

Account Number and Name	Debit	Credit

Oceanview Marine Company
Audit Program — Accounts Payable (continued)
December 31, 2015

AUDIT PROCEDURES	*	INIT	W/P	COMMENTS
4. Obtain list of cash disbursements after year-end to perform search for unrecorded liabilities and tests of year-end payables balances:	A Co Ro	*BC*	*30-11 to 30-19*	
a. determine sample size for testing;		*BC*	*30-20*	
b. select sample items for testing;				
c. trace amounts representing accounts payable at year-end to listing of accounts payable;				
d. evaluate and summarize any payments representing potential omissions or misstatements of year-end accounts;				
e. generalize misstatements to population and evaluate acceptability of the population.				

ANALYTICAL PROCEDURES

	*	INIT	W/P	COMMENTS
5. Compare accounts payable and accrued liabilities in the current year to prior years and obtain explanations for significant differences.	E Co A	*BC*		*Increase due to higher volume and increased inventory.*

STATEMENT PRESENTATION

	*	INIT	W/P	COMMENTS
6. Determine if groupings are consistent with previous periods.	P	*BC*		*Yes. Consistent.*
7. Reclassify any debit balances.	A P	*BC*		*None*
8. Verify that accounts payable is classified as a current liability on the balance sheet.	P	*BC*		*Done*

* **Audit Objectives:**
Accuracy **C**lassification **Co**mpleteness **Cu**toff **D**etail tie-in **E**xistence
Presentation and disclosure **R**ights and **o**bligations

Oceanview Marine Company

Audit Program — Accounts Payable (continued)

December 31, 2015

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AUDIT PROCEDURES

CONCLUSION

9. State, in your opinion, if the accounts payable balance reported in the financial statements is fairly presented and is in accordance with GAAP.

Oceanview Marine Company

Sample Selection: Nonstatistical Sampling — A/P

December 31, 2015

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Audit Area: *Accounts payable - Tests of subsequent cash disbursements*

Describe Sample Selection Method:

1. All cash disbursements greater than tolerable misstatement of $30,000.

2. Sample of all remaining cash disbursements (≤ $30,000)

Sampling Interval = Number of Cash Disbursements / Sample Size = ______

Random Starting Point: 3rd check issued in Jan 2016 (round **down** to whole number)

Amounts > $30,000

	Check #	Customer Name	Amount Tested
1	*6278*	*Luxury Boats*	*41,034.56*
2	______	______	______
3	______	______	______
4	______	______	______
5	*6330*	*Nordic Powerboats*	*162,412.65*
6 to 20	*Various*	*Various*	*662,918.17*
		Sample size (in dollars)	*$1,059,895.34*

Sample Items:

	Check #	Customer Name	Amount Tested
1	*6272*	*Breeze Sailboats*	*23,476.09*
2	______	______	______
3	______	______	______
4	______	______	______
5	*6306*	*Kip's Engine Specialties*	*56.34*
6 to 15	*Various*	*Various*	*77,700.84*
		Sample size (in dollars)	______

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Oceanview Marine Company
Evaluation of Tests of Subsequent Disbursements — Nonstatistical
December 31, 2015

Summary of Misstatements:

Amounts greater than $30,0000:

Vendor Name	A/P Balance per Client's Records	Correct A/P Balance	Amount of Misstatement Over (Under)	Nature of Misstatement
		Net Misstatement:		

Amounts < $30,000:

Vendor Name	A/P Balance per Client's Records	Correct A/P Balance	Amount of Misstatement Over (Under)	Nature of Misstatement
		Net Misstatement:		

Oceanview Marine Company

Evaluation of Tests of Subsequent Disbursements—Nonstatistical (Continued)

December 31, 2015

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Calculation of Projected Misstatement:

Amounts > $30,000:

Net misstatement amounts > $30,000 =_____________

(these misstatements are not projected since tested 100%)

Amounts < $30,000 Sample Projected Misstatement:

(net misstatement in sample/$ sample size) x ($ population size*) =_____________

Total projected misstatement =_____________

* Population size equals the book value of all the amounts less than $30,000.

Calculation of Actual Allowance for Sampling Risk:

Tolerable misstatement =_____________

Less: Projected misstatement =_____________

Allowance for sampling risk =_____________

Oceanview Marine Company
Evaluation of Tests of Subsequent Disbursements—Nonstatistical (Continued)
December 31, 2015

Decision (check one):

☐ Accept population as stated.
(No adjustment required for account to be fairly stated.)

☐ Request client adjust population.
(Account is not fairly stated, but if client corrects misstatements found in sample, account will be acceptable.)

☐ Expand audit tests.
(Account is not fairly stated, and cannot be made acceptable by correcting misstatements found in sample.)

☐ Some other action. Specify:

Explain/Justify your Decision:

Conclusion:

Calculation of Unadjusted Projected Misstatement:

Net projected misstatement ____________

less: Adjusting journal entry (net) ____________

Unadjusted projected misstatement ____________

carry forward to *Summary of Possible Misstatements* (workpaper 90-1)

Oceanview Marine Company
Planned Tests of Balances Matrix — Accounts Payable
December 31, 2015

Audit Objectives	**Acceptable Audit Risk** (High, Medium or Low)	**Inherent Risk** (High, Medium, or Low)	**Analytical Procedures** (High, Medium, or Low potential for misstmts.)	**Control Risk: Acquisitions Cycle** (High, Medium, or Low)	**Substantive Tests of Transactions: Acquisitions Cycle** (High, Medium, or Low likelihood of misstmts.)	**Planned Tests of Balances** (Extensive, Medium, or Reduced Tests)	**Comments**
Detail tie-in	H M L	H M L	H M L	H M L	H M L	E M R	
Existence	H M L	H M L	H M L	H M L	H M L	E M R	*Concern due to lack of controls over approval of purchases*
Completeness	H M L	H M L	H M L	H M L	H M L	E M R	*Concern for inherent risk of omitted liabilities*
Accuracy	H M L	H M L	H M L	H M L	H M L	E M R	
Classification	H M L	H M L	H M L	H M L	H M L	E M R	
Cutoff	H M L	H M L	H M L	H M L	H M L	E M R	*Concern for lack of controls over timing*
Obligations	H M L	H M L	H M L	H M L	H M L	E M R	
Presentation and disclosure	H M L	H M L	H M L	H M L	H M L	E M R	

Preliminary judgment about materiality: $ *75,000*

Performance materiality for accounts payable: $ *30,000*

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BC 2/08/2016

PBC

Oceanview Marine Company
Accounts Payable Listing
December 31, 2015

Vendor No.	Vendor Name	Voucher No.	Amount			Vendor Total		Cumulative Total
1	Aardvark Boating Products	3168	1,765.67			1,765.67	*a*	1,765.67
2	ABC Coffee Service	3233	145.43		*b*	145.43		1,911.10
3	Anchor Boats	3419	22,568.02	*d*		22,568.02	*a*	24,479.12
4	Ambassador Yachts	3441	44,772.00	*c*				
4	Ambassador Yachts	3442	37,916.00	*c*				
4	Ambassador Yachts	3443	39,119.00	*c*				
4	Ambassador Yachts	3444	57,172.00	*c*		178,979.00	*a*	203,458.12
6	Basic Supply Company	3246	656.68		*b*	656.68		204,114.80
7	Boater's Supply	3239	2,145.90					
7	Boater's Supply	3468	8,873.29	*d*				
7	Boater's Supply	3477	23,456.45	*d*	*b*	34,475.64		238,590.44
9	Breeze Sailboats	3192	23,476.09	*d*				
9	Breeze Sailboats	3438	32,113.45	*d*		55,589.54	*a*	294,179.98
11	California Marine	3469	10,235.46					
11	California Marine	3495	12,976.45		*b*	23,211.91		317,391.89
12	Carne's Office Supply	3263	456.39			456.39	*a*	317,848.28
13	Craft-Cris Boats	3421	874.23					
13	Craft-Cris Boats	3480	6,543.70	*d*	*b*	7,417.93		325,266.21
14	Deep Sea Gear	3465	13,256.78			13,256.78		338,522.99
15	Douglas Printing	3425	1,045.62					
15	Douglas Printing	3458	818.54		*b*	1,864.16		340,387.15
16	Everglade Tours	3424	231.67			231.67	*a*	340,618.82
17	Florida Boat and Supply	3479	1,235.67					
17	Florida Boat and Supply	3496	4,734.76			5,970.43		346,589.25
18	Freedom Boats	3423	33,356.00	*d*		33,356.00		379,945.25
19	Full Throttle Engines	3454	31,245.65	*d*	*b*	31,245.65		411,190.90
21	Gator Gear	3201	1,900.75					
21	Gator Gear	3379	321.76			2,222.51		413,413.41
22	Go Fish Supply	3162	2,376.45			2,376.45	*a*	415,789.86
23	Great Outdoor Boats	3203	10,476.90					
23	Great Outdoor Boats	3262	8,356.87					
23	Great Outdoor Boats	3408	95,236.90					
23	Great Outdoor Boats	3451	23,549.67			137,620.34	*a*	553,410.20
24	Happy Sailboats	3254	309.56	*d*				
24	Happy Sailboats	3258	35,863.76	*d*				
	Totals this page		589,583.52			553,410.20		

Oceanview Marine Company
Accounts Payable Listing
December 31, 2015

Vendor No.	Vendor Name	Voucher No.	Amount			Vendor Total		Cumulative Total
	Totals from prior page		589,583.52			553,410.20		
24	Happy Sailboats	3380	118.09					
24	Happy Sailboats	3412	10,118.45					
24	Happy Sailboats	3486	5,454.65					
24	Happy Sailboats	3346	8,876.43		*b*	60,740.94		614,151.14
25	Hercules Engines	3179	2,300.00					
25	Hercules Engines	3202	14,576.20					
25	Hercules Engines	3453	818.68		*b*	17,694.88		631,846.02
26	Horton Outboard	3389	476.09					
26	Horton Outboard	3457	21,367.48			21,843.57		653,689.59
27	Hot Tamales	3467	237.02			237.02	*a*	653,926.61
28	Indian River Electric	3347	985.21					
28	Indian River Electric	3475	234.63		*b*	1,219.84		655,146.45
29	Iroquois Outdoor	3189	3,458.90			3,458.90	*a*	658,605.35
30	Jackson Catering	3360	212.72			212.72	*a*	658,818.07
31	Journey Boats	3493	12,456.78			12,456.78		671,274.85
32	Jumpin' Bass Rod and Reel	3308	876.43					
32	Jumpin' Bass Rod and Reel	3483	987.61			1,864.04		673,138.89
34	Kassen Marine Supply	3354	198.49					
34	Kassen Marine Supply	3487	234.56		*b*	433.05		673,571.94
35	Kip's Engine Specialties	3255	2,234.82					
35	Kip's Engine Specialties	3294	1,213.28					
35	Kip's Engine Specialties	3336	56.34	*d*		3,504.44	*a*	677,076.38
36	Kong Outboard	3269	5,567.09					
36	Kong Outboard	3447	987.62	*d*	*b*	6,554.71		683,631.09
37	Lazy Sailor Wear	3361	456.72					
37	Lazy Sailor Wear	3385	119.08			575.80	*a*	684,206.89
38	Lelli's	3348	347.54		*b*	347.54		684,554.43
38	Lelli's	3397	17,000.00			17,000.00		701,554.43
40	Lincoln National Insurance	3481	3,241.87			3,241.87		704,796.30
41	Lord & Taylor	3393	543.79			543.79	*a*	705,340.09
43	Luxury Boats	3187	41,034.56	*d*				
43	Luxury Boats	3286	55,863.89	*c*				
43	Luxury Boats	3411	42,234.67	*c*		139,133.12	*a*	844,473.21
45	Marine Outboard	3280	458.34					
45	Marine Outboard	3302	21,014.56					
45	Marine Outboard	3377	13,543.67					
	Totals this page		879,489.78			844,473.21		

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BC 2/08/2016

PBC

Oceanview Marine Company
Accounts Payable Listing
December 31, 2015

Vendor No.	Vendor Name	Voucher No.	Amount			Vendor Total		Cumulative Total
	Totals from prior page		879,489.78			844,473.21		
45	Marine Outboard	3406	3,245.96		*b*	38,262.53		882,735.74
46	Marine Supply	3180	14,509.87					
46	Marine Supply	3327	6,657.49					
46	Marine Supply	3395	1,235.90					
46	Marine Supply	3217	12,098.45					
46	Marine Supply	3431	1,424.10		*b*	35,925.81		918,661.55
49	Minute Copy Center	3356	213.56	*d*		213.56	*a*	918,875.11
52	Newman Outdoor	3321	1,969.94					
52	Newman Outdoor	3446	21,765.54		*b*	23,735.48		942,610.59
53	Nirvana Marine Supply	3407	45.91			45.91	*a*	942,656.50
54	Nordic Powerboats	3304	71,287.65	*d*				
54	Nordic Powerboats	3314	91,125.00	*d*				
54	Nordic Powerboats	3384	85,753.14	*d*		248,165.79	*a*	1,190,822.29
56	Outboard Engine	3266	21,226.47					
56	Outboard Engine	3450	11,767.93		*b*	32,994.40		1,223,816.69
58	Pacific Boats	3410	36,734.86	*d*				
58	Pacific Boats	3436	19,238.56	*d*	*b*	55,973.42		1,279,790.11
60	Power Engine Specialties	3394	12,783.56			12,783.56		1,292,573.67
61	Percolator Delivery	3390	34.23			34.23	*a*	1,292,607.90
62	Quicksilver Sailboat	3310	9,874.23			9,874.23		1,302,482.13
63	Rally Outboard	3378	9,987.63	*d*		9,987.63		1,312,469.76
64	Rapidfire Engines	3373	42,115.87	*d*				
64	Rapidfire Engines	3449	42,564.32	*c*	*b*	84,680.19		1,397,149.95
65	Reel Boating Supply	3251	2,465.89					
65	Reel Boating Supply	3260	10,436.83					
65	Reel Boating Supply	3307	1,387.54					
65	Reel Boating Supply	3364	4,563.78			18,854.04	*a*	1,416,003.99
66	Remington Equipment	3282	21,345.89		*b*	21,345.89		1,437,349.88
67	Rick's Ocean Supply	3316	687.43					
67	Rick's Ocean Supply	3413	356.82			1,044.25		1,438,394.13
68	Rondo Maintenance Service	3404	1,693.56			1,693.56	*a*	1,440,087.69
72	Sammy's Sea Supply	3268	287.66			287.66	*a*	1,440,375.35
74	Sinbad Boating Supply	3323	10,024.38					
74	Sinbad Boating Supply	3491	2,354.67		*b*	12,379.05		1,452,754.40
76	South Florida Bell	3261	239.00					
76	South Florida Bell	3265	1,956.45			2,195.45		1,454,949.85
	Totals this page		1,454,949.85			1,454,949.85		

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BC 2/08/2016

PBC

Oceanview Marine Company
Accounts Payable Listing
December 31, 2015

Vendor No.	Vendor Name	Voucher No.	Amount			Vendor Total		Cumulative Total
	Totals from prior page		1,454,949.85			1,454,949.85		
77	South Florida Oceanic	3322	1,487.46					
77	South Florida Oceanic	3383	33,273.06	*d*				
77	South Florida Oceanic	3224	658.80		*b*	35,419.32		1,490,369.17
78	South Street Hardware	3328	432.11			432.11		1,490,801.28
79	Sun Supply	3369	865.90			865.90	*a*	1,491,667.18
81	Suntan Products	3416	1,123.61			1,123.61		1,492,790.79
83	Super Power Engines	3460	12,436.89		*b*	12,436.89		1,505,227.68
84	Superior Sail Supply	3474	2,465.79			2,465.79		1,507,693.47
85	Tailwind Sails	3372	5,679.32			5,679.32	*a*	1,513,372.79
86	Tally Ho Boats	3252	21,365.76					
86	Tally Ho Boats	3429	3,230.09		*b*	24,595.85		1,537,968.64
87	Tradewind Marine	3284	60,122.93					
87	Tradewind Marine	3306	34,653.90	*d*				
87	Tradewind Marine	3400	50,224.56	*d*				
87	Tradewind Marine	3455	44,898.54	*d*	*b*	189,899.93		1,727,868.57
92	Universal Engines	3248	13,765.00			13,765.00		1,741,633.57
94	Village Grocery	3272	237.63			237.63	*a*	1,741,871.20
95	Vintage Boats	3199	8,487.35			8,487.35		1,750,358.55
97	Water Ski Products	3271	348.50			348.50		1,750,707.05
101	Your Attic	3200	123.95			123.95		1,750,831.00
	Total Accounts Payable		1,750,831.00	*G/L*		1,750,831.00		
			F 30-1			*F*		

Tickmark Legend

a *Traced total to accounts payable subsidiary records.*

b *Traced total from accounts payable subsidiary records.*

c *Traced to vendor's invoice(s). Compared vendor name and amounts.*
No exceptions noted (i.e., properly included in accounts payable at Dec. 31, 2015).

d *Tested through subsequent cash disbursement work on W/P 30-11 to 30-18.*
Item appears to be properly included as an account payable at December 31, 2015.

F *Footed without exception.*

G/L *Agreed to General Ledger without exception.*

30-11
BC 2/08/2016

PBC

Oceanview Marine Company
Check Register — January 2016
December 31, 2015

Check No.	Date	Vendor No.	Vendor Name	Voucher No.	Amount	Check Total	
6270	1/4/2016	6	Basic Supply Co.	3246	656.68	656.68	
6271	1/4/2016	7	Boater's Supply	3239	2,145.90	2,145.90	
6272	1/4/2016	9	Breeze Sailboats	3192	23,476.09	23,476.09	*d*
6273	1/4/2016	21	Gator Gear	3201	1,900.75	1,900.75	
6274	1/4/2016	N/A	Payroll Bank transfer	N/A	10,000.00	10,000.00	
6275	1/4/2016	25	Hercules Engines	3179	2,300.00		
		25	Hercules Engines	3202	14,576.20	16,876.20	
6276	1/4/2016	35	Kip's Engine Specialties	3294	1,213.28		
		35	Kip's Engine Specialties	3255	2,234.82	3,448.10	
6277	1/4/2016	36	Kong Outboard	3269	5,567.09	5,567.09	
6278	1/4/2016	43	Luxury Boats	3187	41,034.56	41,034.56	*d*
6279	1/4/2016	22	Go Fish Supply	3162	2,376.45	2,376.45	
6280	1/4/2016	85	Tailwind Sails	3372	5,679.32	5,679.32	
			Total check run		113,161.14	113,161.14	
					F	*F*	

See w/p 30-19 for tickmark legend.

30-12
BC 2/08/2016

PBC

Oceanview Marine Company
Check Register — January 2016
December 31, 2015

Check No.	Date	Vendor No.	Vendor Name	Voucher No.	Amount	Check Total
6281	1/8/2016	5	Anderson Marine	3504	3,218.17	3,218.17
6282	1/8/2016	14	Deep Sea Gear	3465	13,256.78	13,256.78
6283	1/8/2016	23	Great Outdoor Boats	3203	10,476.90	
		23	Great Outdoor Boats	3262	8,356.87	18,833.77
6284	1/8/2016	25	Hercules Engines	3511	3,195.60	
		25	Hercules Engines	3518	5,823.19	9,018.79
6285	1/8/2016	38	Lelli's	3348	347.54	347.54
6286	1/8/2016	45	Marine Outboard	3280	458.34	
		45	Marine Outboard	3302	21,014.56	21,472.90
6287	1/8/2016	46	Marine Supply	3180	14,509.87	
		46	Marine Supply	3217	12,098.45	26,608.32
6288	1/8/2016	59	Point Supply	3503	11,232.72	11,232.72
6289	1/8/2016	71	Salt, Sand & Sea Advertising	3409	2,250.00	2,250.00
6290	1/8/2016	72	Sammy's Sea Supply	3506	523.18	523.18
6291	1/8/2016	79	Sun Supply	3369	865.90	865.90
6292	1/8/2016	86	Tally Ho Boats	3252	21,365.76	21,365.76
6293	1/8/2016	87	Tradewind Marine	3284	60,122.93	60,122.93
6294	1/8/2016	90	United Rent-all	3507	215.00	215.00
6295	1/8/2016	95	Vintage Boats	3199	8,487.35	8,487.35
6296	1/8/2016	101	Your Attic	3200	123.56	123.56
			Total check run		197,942.67	197,942.67
					F	*F*

See w/p 30-19 for tickmark legend.

30-13
BC 2/08/2016

PBC

Oceanview Marine Company
Check Register — January 2016
December 31, 2015

Check No.	Date	Vendor No.	Vendor Name	Voucher No.	Amount	Check Total	
6297	1/11/2016	2	ABC Coffee Service	3233	145.43	145.43	
6298	1/11/2016	5	Anderson Marine	3218	27,851.15	27,851.15	
6299	1/11/2016	12	Carne's Office Supply	3263	456.39	456.39	
6300	1/11/2016	14	Deep Sea Gear	3519	4,238.68	4,238.68	
6301	1/11/2016	20	Gable Marine	3522	1,162.00	1,162.00	
6302	1/11/2016	25	Hercules Engines	3523	14,852.20	14,852.20	
6303	1/11/2016	24	Happy Sailboats	3346	8,876.43	8,876.43	
6304	1/11/2016	26	Horton Outboard	3389	476.09	476.09	
6305	1/11/2016	32	Jumpin' Bass Rod and Reel	3308	876.43	876.43	
6306	1/11/2016	35	Kip's Engine Specialties	3336	56.34	56.34	*d*
6307	1/11/2016	39	Lift King	3289	38,170.57	38,170.57	
6308	1/11/2016	41	Lord & Taylor	3393	543.79	543.79	
6309	1/11/2016	44	Marina World	3501	2,031.15		
		44	Marina World	3508	1,782.93	3,814.08	
6310	1/11/2016	52	Newman Outdoor	3321	18,565.81	18,565.81	
6311	1/11/2016	56	Outboard Engine	3266	21,226.47	21,226.47	
6312	1/11/2016	61	Percolator Delivery	3502	137.62	137.62	
6313	1/11/2016	62	Quicksilver Sailboat	3310	9,874.23	9,874.23	
6314	1/11/2016	65	Reel Boating Supply	3251	2,465.89		
		65	Reel Boating Supply	3260	10,436.83	12,902.72	
6315	1/11/2016	72	Sammy's Sea Supply	3526	2,981.16	2,981.16	*e*
6316	1/11/2016	74	Sinbad Boating Supply	3323	10,024.38	10,024.38	
6317	1/11/2016	76	South Florida Bell	3261	239.00		
		76	South Florida Bell	3265	1,956.45	2,195.45	
6318	1/11/2016	79	Sun Supply	3528	432.19	432.19	
6319	1/11/2016	97	Water Ski Products	3271	348.07	348.07	
			Total check run		180,207.68	180,207.68	
					F	*F*	

See w/p 30-19 for tickmark legend.

Oceanview Marine Company

Check Register — January 2016

December 31, 2015

30-14

BC 2/08/2016

PBC

Check No.	Date	Vendor No.	Vendor Name	Voucher No.	Amount	Check Total	
6320	1/15/2016	6	Basic Supply	3510	1,522.30	1,522.30	
6321	1/15/2016	12	Carne's Office Supply	3517	241.78	241.78	
6322	1/15/2016	13	Craft-Cris Boats	3421	874.23	874.23	
6323	1/15/2016	14	Deep Sea Gear	3530	11,241.16	11,241.16	*e*
6324	1/15/2016	23	Great Outdoor Boats	3408	95,236.90	95,236.90	
6325	1/15/2016	28	Indian River Electric	3347	985.21	985.21	
6326	1/15/2016	29	Iroquois Outdoor	3189	3,458.90	3,458.90	
6327	1/15/2016	35	Kip's Engine Specialties	3521	2,628.47	2,628.47	
6328	1/15/2016	46	Marine Supply	3327	6,657.49	6,657.49	
6329	1/15/2016	50	Minuteman Delivery	3509	36.00		
		50	Minuteman Delivery	3520	43.00	79.00	
6330	1/15/2016	54	Nordic Powerboats	3314	91,125.00		
		54	Nordic Powerboats	3304	71,287.65	162,412.65	*d*
6331	1/15/2016	59	Point Supply	3532	5,832.70	5,832.70	
6332	1/15/2016	60	Power Engine Specialties	3394	12,783.56	12,783.56	
6333	1/15/2016	63	Rally Outboard	3378	9,987.63	9,987.63	*d*
6334	1/15/2016	64	Rapidfire Engines	3373	42,115.87	42,115.87	*d*
6335	1/15/2016	65	Reel Boating Supply	3307	1,387.54	1,387.54	
6336	1/15/2016	75	Southern Boater	3515	1,436.77		
		75	Southern Boater	3527	782.64	2,219.41	
6337	1/15/2016	77	South Florida Oceanic	3224	658.80		
		77	South Florida Oceanic	3322	1,487.46	2,146.26	
6338	1/15/2016	78	South Street Hardware	3328	432.11	432.11	
6339	1/15/2016	87	Tradewind Marine	3306	34,653.90	34,653.90	*d*
6340	1/15/2016	94	Village Grocery	3272	237.63	237.63	
			Total check run		397,134.70	397,134.70	
					F	*F*	

See w/p 30-19 for tickmark legend.

30-15
BC 2/08/2016

PBC

Oceanview Marine Company
Check Register — January 2016
December 31, 2015

Check No.	Date	Vendor No.	Vendor Name	Voucher No.	Amount	Check Total
6341	1/18/2016	5	Anderson Marine	3535	15,629.15	15,629.15
6342	1/18/2016	12	Carne's Office Supply	3537	247.67	247.67
6343	1/18/2016	13	Craft-Cris Boats	3480	6,543.70	6,543.70 *d*
6344	1/18/2016	15	Douglas Printing	3425	1,045.62	
		15	Douglas Printing	3458	818.54	1,864.16
6345	1/18/2016	24	Happy Sailboats	3254	309.56	
		24	Happy Sailboats	3258	35,863.76	36,173.32 *d*
6346	1/18/2016	27	Hot Tamales	3467	237.02	237.02
6347	1/18/2016	29	Iroquois Outdoor	3539	2,567.52	2,567.52
6348	1/18/2016	34	Kassen Marine Supply	3354	198.49	
		34	Kassen Marine Supply	3487	234.56	433.05
6349	1/18/2016	37	Lazy Sailor Wear	3361	456.72	
		37	Lazy Sailor Wear	3385	119.08	575.80
6350	1/18/2016	42	Lost Wilderness Outfitters	3529	15,326.18	
		42	Lost Wilderness Outfitters	3541	4,279.76	19,605.94
6351	1/18/2016	45	Marine Outboard	3377	13,543.67	13,543.67
6352	1/18/2016	49	Minute Copy Center	3356	213.56	213.56 *d*
6353	1/18/2016	54	Nordic Powerboats	3384	85,753.14	85,753.14 *d*
6354	1/18/2016	60	Power Engine Specialties	3542	19,239.58	19,239.58
6355	1/18/2016	62	Quicksilver Sailboat	3546	23,429.55	23,429.55
6356	1/18/2016	66	Remington Equipment	3282	21,345.89	21,345.89
6357	1/18/2016	67	Rick's Ocean Supply	3413	356.82	
		67	Rick's Ocean Supply	3316	687.43	1,044.25
6358	1/18/2016	72	Sammy's Sea Supply	3268	287.56	287.56
6359	1/18/2016	79	Sun Supply	3540	1,582.16	1,582.16
6360	1/18/2016	87	Tradewind Marine	3400	50,224.56	
		87	Tradewind Marine	3455	44,898.54	95,124.10 *d*
6361	1/18/2016	91	United Rent-all	3548	116.32	116.32
			Total check run		345,556.11	345,556.11
					F	*F*

See w/p 30-19 for tickmark legend.

Oceanview Marine Company
Check Register — January 2016
December 31, 2015

30-16
BC 2/08/2016

PBC

Check No.	Date	Vendor No.	Vendor Name	Voucher No.	Amount	Check Total	
6362	1/22/2016	3	Anchor Boats	3419	22,568.02	22,568.02	d
6363	1/22/2016	13	Craft-Cris Boats	3516	31,629.36		
		13	Craft-Cris Boats	3534	8,219.60	39,848.96	e
6364	1/22/2016	14	Deep Sea Gear	3551	2,193.18	2,193.18	
6365	1/22/2016	17	Florida Boat and Supply	3479	1,235.67		
		17	Florida Boat and Supply	3496	4,734.76	5,970.43	
6366	1/22/2016	21	Gator Gear	3379	321.76	321.76	
6367	1/22/2016	22	Go Fish Supply	3555	3,391.72	3,391.72	
6368	1/22/2016	28	Indian River Electric	3475	234.63	234.63	
6369	1/22/2016	30	Jackson Catering	3360	212.72	212.72	
6370	1/22/2016	35	Kip's Engine Specialties	3557	3,971.08	3,971.08	
6371	1/22/2016	36	Kong Outboard	3447	987.62	987.62	d
6372	1/22/2016	44	Marina World	3552	2,656.56		
		44	Marina World	3559	3,942.17	6,598.73	
6373	1/22/2016	47	Marine Boats	3431	326.65	326.65	
6374	1/22/2016	52	Newman Outdoor	3446	21,765.54	21,765.54	
6375	1/22/2016	58	Pacific Boats	3436	19,238.56		
		58	Pacific Boats	3410	36,734.86	55,973.42	d
6376	1/22/2016	63	Rally Outboard	3549	13,251.82	13,251.82	
6377	1/22/2016	65	Reel Boating Supply	3364	4,563.78	4,563.78	
6378	1/22/2016	72	Sammy's Sea Supply	3560	917.62	917.62	
6379	1/22/2016	74	Sinbad Boating Supply	3491	2,354.67	2,354.67	
6380	1/22/2016	77	South Florida Oceanic	3383	33,273.06	33,273.06	d
6381	1/22/2016	79	Sun Supply	3554	472.18		
		79	Sun Supply	3562	1,263.51	1,735.69	e
6382	1/22/2016	86	Tally Ho Boats	3429	3,230.09	3,230.09	
6383	1/22/2016	92	Universal Engines	3248	13,765.00	13,765.00	
			Total check run		237,456.19	237,456.19	
					F	F	

See w/p 30-19 for tickmark legend.

30-17

BC 2/08/2016

PBC

Oceanview Marine Company
Check Register — January 2016
December 31, 2015

Check No.	Date	Vendor No.	Vendor Name	Voucher No.	Amount	Check Total
6384	1/25/2016	9	Breeze Sailboats	3438	32,113.45	32,113.45 *d*
6385	1/25/2016	12	Carne's Office Supply	3545	267.48	
		12	Carne's Office Supply	3561	317.06	584.54
6386	1/25/2016	13	Craft-Cris Boats	3538	9,871.16	
		13	Craft-Cris Boats	3553	21,658.97	31,530.13 *e*
6387	1/25/2016	18	Freedom Boats	3423	33,356.00	33,356.00 *d*
6388	1/25/2016	19	Full Throttle Engines	3454	31,245.65	31,245.65 *d*
6389	1/25/2016	24	Happy Sailboats	3412	10,118.45	
		24	Happy Sailboats	3380	118.09	
		24	Happy Sailboats	3486	5,454.65	15,691.19
6390	1/25/2016	25	Hercules Engines	3453	818.68	818.68
6391	1/25/2016	31	Journey Boats	3493	12,456.78	12,456.78
6392	1/25/2016	32	Jumpin' Bass Rod and Reel	3483	987.61	987.61
6393	1/25/2016	34	Kassen Marine Supply	3544	11,423.18	
		34	Kassen Marine Supply	3550	6,492.78	
		34	Kassen Marine Supply	3565	891.16	18,807.12 *e*
6394	1/25/2016	35	Kip's Engine Specialties	3568	2,013.82	2,013.82
6395	1/25/2016	46	Marine Supply	3395	1,235.90	1,235.90
6396	1/25/2016	48	Merkur Marine	3569	11,219.41	11,219.41
6397	1/25/2016	53	Nirvana Marine Supply	3407	45.91	45.91
6398	1/25/2016	54	Nordic Powerboats	3572	26,291.71	
		54	Nordic Powerboats	3582	10,216.53	36,508.24 *e*
6399	1/25/2016	62	Quicksilver Sailboat	3574	8,238.66	
		62	Quicksilver Sailboat	3585	14,561.91	22,800.57
6400	1/25/2016	68	Rondo Maintenance Service	3404	1,693.56	1,693.56
6401	1/25/2016	69	Roof Garden Catering	3578	17,621.17	17,621.17
6402	1/25/2016	73	Seven Seas Supply	3588	2,635.18	2,635.18 *e*
6403	1/25/2016	81	Suntan Products	3416	1,124.00	1,124.00
6404	1/25/2016	87	Tradewind Marine	3558	3,217.70	
		87	Tradewind Marine	3571	12,841.02	16,058.72
			Total check run		290,547.63 *F*	290,547.63 *F*

See w/p 30-19 for tickmark legend.

Oceanview Marine Company
Check Register — January 2016
December 31, 2015

30-18
BC 2/08/2016

PBC

Check No.	Date	Vendor No.	Vendor Name	Voucher No.	Amount	Check Total	
6405	1/29/2016	3	Anchor Boats	3567	17,604.05	17,604.05	
6406	1/29/2016	7	Boater's Supply	3477	23,456.45		
		7	Boater's Supply	3468	8,873.29	32,329.74	*d*
6407	1/29/2016	11	California Marine	3469	10,235.46	10,235.46	
6408	1/29/2016	14	Deep Sea Gear	3579	4,988.62	4,988.62	
6409	1/29/2016	16	Everglade Tours	3424	231.67	231.67	
6410	1/29/2016	17	Florida Boat and Supply	3563	15,534.76		
		17	Florida Boat and Supply	3576	8,908.68		
		17	Florida Boat and Supply	3590	4,871.19	29,314.63	
6411	1/29/2016	25	Hercules Engines	3581	7,136.52		
		25	Hercules Engines	3592	5,981.72	13,118.24	
6412	1/29/2016	26	Horton Outboard	3457	21,367.48	21,367.48	
6413	1/29/2016	33	Kane and Archer, Attorneys	3593	11,325.00	11,325.00	
6414	1/29/2016	34	Kassen Marine Supply	3575	11,623.47		
		34	Kassen Marine Supply	3591	2,176.58		
		34	Kassen Marine Supply	3596	3,641.07	17,441.12	
6415	1/29/2016	35	Kip's Engine Specialties	3587	6,029.47		
		35	Kip's Engine Specialties	3598	2,801.56	8,831.03	
6416	1/29/2016	45	Marine Outboard	3406	3,245.96	3,245.96	
6417	1/29/2016	46	Marine Supply	3564	4,267.88		
		46	Marine Supply	3600	3,947.62	8,215.50	
6418	1/29/2016	54	Nordic Powerboats	3584	12,641.19		
		54	Nordic Powerboats	3595	23,016.58		
		54	Nordic Powerboats	3602	7,261.98	42,919.75	*e*
6419	1/29/2016	58	Pacific Boats	3603	18,416.87	18,416.87	
6420	1/29/2016	65	Reel Boating Supply	3586	5,519.15		
		65	Reel Boating Supply	3607	2,164.08	7,683.23	
6421	1/29/2016	83	Super Power Engines	3460	12,437.00	12,437.00	
6422	1/29/2016	84	Superior Sail Supply	3474	2,465.79	2,465.79	
6423	1/29/2016	87	Tradewind Marine	3608	6,481.75	6,481.75	
			Total check run		268,652.89	268,652.89	
					F	*F*	

See w/p 30-19 for tickmark legend.

30-19
BC 2/08/2016

Oceanview Marine Company
Accounts Payable — Summary of Subsequent Disbursements
December 31, 2015

Disbursements > $30,000	*20*	*1,059,895.34*
Disbursements ≤ $30,000	*134*	*970,763.67*
Total January disbursements	*154*	*2,030,659.01*
	F	***F***

Tickmark Legend

F *Footed without exception.*

d *Per review of supporting documents, item is properly included in accounts payable at Dec. 31, 2015. Traced to year-end listing of accounts payable (30-7 to 30-10).*

e *Per review of supporting documents, item is properly excluded from accounts payable at Dec. 31, 2015.*

30-20
BC 2/08/2016

Oceanview Marine Company
Calculation of Sample Size: Nonstatistical Sampling — A/P
December 31, 2015

Decisions and Facts for Determining Sample Size:

Book Value of the recorded population:	*2,030,659.01 (January disbursements)*
Tolerable Misstatement (TM):	*30,000.00*
Book value of individually material accounts: (test **all** material accounts)	*1,059,895.34 (20 disbursements)*
Book value of remaining accounts to be sampled (BV): (test only a sample)	*970,763.67 (134 disbursements)*
Sample size:	*15*

Explanation:

As documented on w/p 30-6, planned tests of balances for the completeness objective is medium. Few misstatements are expected in the tests of subsequent cash disbursements.

Testing of all amounts in excess of $30,000 provides testing coverage in excess of 50% of the subsequent disbursement activity.

Additional sample of 15 disbursements is considered adequate in the circumstances.

Oceanview Marine Company
Cash Leadsheet
December 31, 2015

Account Number and Name	2015 Balance	Net Adjustments	2015 Adjusted Balance	2014 Balance	% Change (before adjustment)
1010 — Petty cash	200 *G/L*			200 *PY*	0.00%
1015 — Bank, payroll	*20-5* 2,000 *G/L*			2,000 *PY*	0.00%
1020 — Bank, general	1,317,896 *G/L*			1,087,778 *PY*	21.15%
Total	1,320,096 *F*			1,089,978 *F*	21.11%

Tickmark legend

G/L *Agreed to general ledger.*

PY *Agreed to prior year's workpapers.*

F *Footed without exception.*

Oceanview Marine Company

Audit Program — Cash

December 31, 2015

20-2

AUDIT PROCEDURES	*	W/P	INIT	COMMENTS
MODIFICATIONS TO AUDIT PROGRAM				
1. Based on the results of previous audit procedures, complete appropriate modifications to this program.			*BC*	*As noted below.*
TESTS OF BALANCES—CASH ON HAND				
2. In the presence of client, count petty cash fund, undeposited receipts, and other cash, if considered material.	A E		*BC*	*N/A. Petty cash not considered material.*
3. Obtain explanations of differences between the petty cash float and the cash count.	A		*BC*	*N/A. No difference.*
4. Note any IOUs, reused vouchers, or stale dated checks.	Co		*BC*	*None*
Other procedures:			*BC*	*None*
TESTS OF BALANCES—CASH IN BANK				
5. Obtain cutoff bank statements *directly from the bank* for all bank accounts open at any time during the year per bank confirmation or company records.			*BC*	
6. Obtain bank confirmations, directly from the bank, for all accounts open at any time in the year.		*20-7*	*BC*	
7. Obtain year-end bank reconciliations for all accounts.	A E Co	*20-5* *20-6*	*BC*	
8. For each reconciliation, trace the balance per books to the general ledger.	A D	*20-5* *20-6*	*BC*	*Done for payroll and general bank account.*
9. Verify the arithmetic accuracy of each reconciliation.	A D	*20-5*	*BC*	*Done for payroll bank acct.*
10. For each reconciliation, vouch the balance per bank (unadjusted) to the bank confirmation.	A E	*20-7*	*BC*	*Done for payroll bank acct.*

* **Audit Objectives:**
Accuracy Classification Completeness Cutoff Detail tie-in Existence
Presentation and disclosure Rights and obligations

Oceanview Marine Company
Audit Program — Cash (continued)
December 31, 2015

AUDIT PROCEDURES	*	W/P	INIT	COMMENTS
11. Trace checks over $ *1,000* on cutoff statement to list of outstanding checks on year-end bank reconciliation.	A Cu E	*20-5*	*BC*	*Done for payroll bank acct.*
12. Investigate checks over $ *1,000* on the reconciliation that did not clear by the cutoff statement date.	A Co Cu	*20-5*	*BC*	*Done for payroll bank acct.*
13. Vouch all deposits-in-transit from bank reconciliation to cutoff statement(s).	A Cu E	*20-5*	*BC*	*N/A for payroll bank acct.*
14. Vouch all other items on bank reconciliation to books and/or bank account as appropriate. Trace all other items on bank statement to reconciliation or books as appropriate. Inquire about old or unusual items on reconciliation.	A E	*20-5* *20-6*	*BC*	*No unusual items.*
15. Verify bank confirmation and inquire of management whether there are any restrictions preventing use of cash for current purposes.	P R	*20-7*	*BC*	*No restrictions.*
16. Perform tests of interbank transfers occurring within 10 days of year-end: a. Determine that date per books for disbursing and receiving accounts are in the same period. b. Trace any outstanding deposits or outstanding checks to bank reconciliation. c. Vouch dates and amounts to cash receipts and cash disbursements journals. d. Vouch dates and amounts to bank statements (cutoff statements for amounts after year-end).	A Cu Co E	*20-8*	*BC*	*No exceptions.*
Other Procedures:			*BC*	*None.*

* **Audit Objectives:**
Accuracy **Cl**assification **Co**mpleteness **Cu**toff **D**etail tie-in **E**xistence
Presentation and disclosure **R**ights and **o**bligations

20-4

Oceanview Marine Company
Audit Program — Cash (continued)
December 31, 2015

AUDIT PROCEDURES	*	W/P	INIT	COMMENTS
ANALYTICAL PROCEDURES				
17. Compare ending cash balances with other month-end balances and prior year(s). Obtain explanations and other evidence as appropriate to account for unexpected differences.	A Co E		*BC*	*Compared 2014 and 2015 month to month. No unusual variances other than those caused by normal sales cycles.*
Other procedures:			*BC*	*None*
STATEMENT PRESENTATION				
18. Review groupings and compare to prior year. Reclassify credit balances as current liabilities. Consider re-classification for restricted or appropriated cash.	P		*BC*	*No credit balances. Classification is appropriate.*
Other procedures:			*BC*	*None*
CONCLUSION				
19. State, in your opinion, if the cash reported in the financial statements is fairly presented and is in accordance with GAAP.				

* **Audit Objectives:**
Accuracy **Cl**assification **Co**mpleteness **Cu**toff **D**etail tie-in **E**xistence
Presentation and disclosure **R**ights and **o**bligations

20-5
BC 2/04/2016

PBC

Oceanview Marine Company
Bank Reconciliation — Payroll
December 31, 2015

Balance per bank statement			10,451.38	Balance per books, unadjusted	2,000.00	*20-1*
			20-7		*G/L*	
Add: Deposits in transit:			0.00	Adjustments:	0.00	
Deduct: Outstanding checks:						
11567	Nov. 30 2015	685.32				
11575	Nov. 30 2015	765.23				
11865	Dec. 14 2015	234.76				
11883	Dec. 14 2015	435.99				
11945	Dec. 28 2015	1,045.23^				
11948	Dec. 28 2015	1,134.65~				
11953	Dec. 28 2015	446.89				
11965	Dec. 28 2015	678.90				
11970	Dec. 28 2015	456.89				
11983	Dec. 28 2015	341.19				
11989	Dec. 28 2015	890.24				
12003	Dec. 28 2015	402.91				
12005	Dec. 28 2015	467.86				
12008	Dec. 28 2015	465.32	8,451.38			
		F				
Balance per bank, adjusted			2,000.00	Balance per books, adjusted	2,000.00	
			F		*F*	

Tickmark Legend

~ *Agreed to check clearing with cutoff bank statement.*

^ *Check did not clear with cutoff bank statement. Reviewed January 2016 bank statement, check cleared in January 2016.*

G/L *Agreed to general ledger balance.*

F *Footed without exception.*

Oceanview Marine Company

Bank Reconciliation – General Bank Account

December 31, 2015

20-6

PBC

Balance per bank statement			1,332,686.93	Balance per books, unadjusted	1,317,896.00 *G/L*
Add: Deposits in transit:				Adjustments:	0.00
	Dec. 30 2015	26,262.78			
	Dec. 30 2015	12,346.98	38,609.76		
Deduct: Outstanding checks:					
5835	Nov. 02 2015	1,516.18			
5919	Nov. 23 2015	375.75			
6016	Dec. 07 2015	679.00			
6139	Dec. 21 2015	345.00			
6245	Dec. 28 2015	5,670.00			
6248	Dec. 28 2015	984.00			
6249	Dec. 28 2015	2,350.49			
6251	Dec. 28 2015	321.48			
6252	Dec. 28 2015	3,781.70			
6254	Dec. 28 2015	672.58			
6256	Dec. 28 2015	1,251.83			
6257	Dec. 28 2015	12,987.35			
6258	Dec. 28 2015	337.12			
6260	Dec. 28 2015	1,841.80			
6261	Dec. 28 2015	456.90			
6263	Dec. 28 2015	149.15			
6264	Dec. 28 2015	1,385.29			
6265	Dec. 28 2015	456.86			
6266	Dec. 28 2015	3,450.91			
6267	Dec. 28 2015	733.00			
6268	Dec. 28 2015	200.00			
6269	Dec. 28 2015	13,454.30 ***20-8***	53,400.69		
Balance per bank, adjusted			1,317,896.00	Balance per books, adjusted	1,317,896.00

Tickmark Legend

G/L *Agreed to general ledger balance.*

STANDARD FORM TO CONFIRM ACCOUNT BALANCE INFORMATION WITH FINANCIAL INSTITUTIONS

Oceanview Marine Company
CUSTOMER NAME

Financial Institution's Name and Address

[*FIRST NATIONAL BANK*
317 Fifth Avenue
Ocean City, Florida 33140]

We have provided our accountants the following information as of the close of business on *December 31*, 20 *15*, regarding our deposit and loan balances. Please confirm the accuracy of the information, noting any exceptions to the information provided. If the balances have been left blank, please complete this form by furnishing the balance in the appropriate space below.* Although we do not request nor expect you to conduct a comprehensive, detailed search of your records, if during the process of completing this confirmation additional information about other deposit or loan balances comes to your attention, please include such information below. Please use the enclosed envelope to return the form directly to our accountants.

1. At the close of business on the date listed above, our records indicated the following deposit balance(s):

ACCOUNT NAME	ACCOUNT NUMBER	INTEREST RATE	BALANCE*
Payroll	**010-123456**	**N/A**	**$ 10,451.38** 20-5
General	**020-987654**	**N/A**	**$ 1,332,686.93**

2. We were directly liable to the financial institution for loans at the close of business on the date listed above as follows:

ACCOUNT NO./ DESCRIPTION	BALANCE*	DATE DUE	INTEREST RATE	DATE THROUGH WHICH INTEREST IS PAID	DESCRIPTION OF COLLATERAL
Line of credit	**$5,100,000** 32-1	**Demand**	**5.5%**	**Dec. 8, 2015**	**Receivables and inventory**

Cynthia Rathberg
(Customer's Authorized Signature)

January 1, 2016
(Date)

The information presented above by the customer is in agreement with our records. Although we have not conducted a comprehensive, detailed search of our records, no other deposit or loan accounts have come to our attention except as noted below.

Robert Johnson
(Financial Institution Authorized Signature)

January 10, 2016
(Date)

Vice-President
(Title)

EXCEPTIONS AND/OR COMMENTS
None

Please return this form directly to our accountants: [*Lilts Berger & Associates*
100 Main Street
Ocean City, Florida 33140]

* Ordinarily, balances are intentionally left blank if they are not available at the time the form is prepared.

Approved 1990 by American Bankers Association, American Institute of Certified Public Accountants, and Bank Administration Institute. Additional forms available from: AICPA – Order Department, 1-888-777-7077

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Oceanview Marine Company

Schedule of Interbank and Intercompany Transfers

December 31, 2015

	Amount	*Disbursing Account*		*Receiving Account*	
		Date per Books	*Date per Bank*	*Date per Books*	*Date per Bank*
Transfer from general to payroll Check #6269	*$13,454.30* *	*12/28/2015* X	*1/4/2016*	*12/28/2015* ^	*12/28/2015* ✓
Transfer from general to payroll Check #6274	*$10,000* *	*1/4/2016* X	*1/7/2016*	*1/4/2016* ^	*1/6/2016*

Audit tickmark legend

* *Vouched and agreed payee, payor, check number, and check amount to the cash disbursements journal (no exceptions noted).*

X *Vouched and agreed the disbursement date per books to the cash disbursements journal (no exceptions noted).*

^ *Vouched and agreed the receipt date per books to the cash receipts journal (no exception noted).*

✓ *Vouched date and amount to year-end bank statement.*