

2) We were able to compare the amount reported on each canceled check to the amount of the expense recorded on the monthly income and expense statement for the months of May 2002 and June 2002 because Saco & Biddeford Savings provided photocopies of all checks clearing the bank account for those particular months.

We found no differences between the amounts reported on the canceled checks and the amounts reported on the monthly income and expense reports.

3) We mathematically checked the bank reconciliations and compared the resulting cash balance to the balance reported on the bottom of the monthly income and expense statements for the years ended June 30, 2002 and 2001.

We found no difference between the amounts reported on the bank reconciliations and the amounts reported on the monthly income and expense statements.

4) We randomly sampled the statements issued by Cloutier Property Management to the SeaWatch Condominium Association for reimbursement of expenses or services and compared the amount requested for reimbursement to the amounts reported on the supporting invoice(s) and to the amount of the reimbursement check.

We found no differences between the amounts requested for reimbursement by Cloutier Property Management and the amounts reported on the supporting invoices and the corresponding reimbursement checks.

5) We randomly sampled invoices from vendors for product deliveries to locations other than the SeaWatch Condominium Association during the years ended June 30, 2002 and 2001.

We found that because the SeaWatch Condominium Association does not have a fully staffed front office on premises, some deliveries are sent to the offices of Cloutier Property Management, which then distributes the supplies via its employees. Each vendor's invoice indicates which property was to receive the goods. For instance, an invoice from ABC Pools indicated that pool supplies were ordered for the SeaWatch Condominiums but the goods were delivered to another location. When we inquired of Cloutier Property Management about how we would know that supplies ordered for the SeaWatch Condominium made it to the property, the response was that the SeaWatch Condominium was the only property they managed that had a pool.