Financial Statements
June 30, 2015

The Metropolitan Environmental Trust

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CPAs & BUSINESS ADVISORS

Independent Auditor's Report

To the Board of Directors
The Metropolitan Environmental Trust
Tulsa, Oklahoma

Report on the Financial Statements
We have audited the accompanying financial statements of The Metropolitan Environmental Trust (the Trust), which comprise the statement of net position as of June 30, 2015, and the related statements of revenues, expenses, and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Trust's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Trust, as of June 30, 2015, and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Emphasis of Matter Regarding Correction of Error and Restatement
As discussed in Note 6 to the financial statements, certain errors resulting in overstatement of depreciation expense for the year ended June 30, 2014, were discovered during the current year. Accordingly, an adjustment has been made to the net position as of June 30, 2014 to correct the error. Our opinion is not modified with respect to that matter.

Other Matters

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards*, we have also issued our report dated January 7, 2016 on our consideration of the Trust's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Trust's internal control over financial reporting and compliance.

Tulsa, Oklahoma
January 7, 2016

Management's Discussion and Analysis
June 30, 2015
The Metropolitan Environmental Trust

Our discussion and analysis of the Trust's financial performance provides an overview of the Trust's financial activities for the year ended June 30, 2015. Please read it in conjunction with the Trust's financial statements.

Financial Highlights

- The Trust's net position decreased by $51,200 or 49% during the year ended June 30, 2015, from $104,852 at June 30, 2014 to $53,652 at June 30, 2015.

- Total operating revenues decreased by $9,854 or 5%, from $209,014 for the year ended June 30, 2014 to $199,160 for the year ended June 30, 2015.

- Total operating expenses increased by $51,692 or 4%, from $1,174,153 for the year ended June 30, 2014 to $1,225,845 for the year ended June 30, 2015.

- Total non-operating revenue increased by $14,730 or 2%, from $960,755 for the year ended June 30, 2014 to $975,485 for the year ended June 30, 2015.

Overview of the Financial Statements

These financial statements consist of two sections: Management's Discussion and Analysis (this section) and the basic financial statements (including the notes to the financial statements).

Financial Statements

The primary focus of the Trust's financial statements is on the Trust as a whole. This perspective allows the user to address relevant questions, broaden a basis for comparison, and enhance the Trust's accountability.

The Trust engages in only business type activities. The financial statements are designed to be corporate-like in that all business type activities are consolidated to a total for the entire entity. The Trust's major business activity is the sale of recyclables.

Statement of Net Position

The following table reflects the condensed Statements of Net Position compared to prior year.

	2015	2014*
Assets		
Current assets	$ 45,273	$ 55,713
Capital assets, net	131,703	142,213
Total assets	176,976	197,926
Liabilities and Net Position		
Current Liabilities	123,324	92,184
Non-current liabilities	-	890
Total liabilities	123,324	93,074
Net Position		
Net investment in capital assets	130,813	135,633
Restricted	-	4,500
Unrestricted	(77,161)	(35,281)
Total net position	53,652	104,852
Total liabilities and net position	$ 176,976	$ 197,926

*Shown as restated

For more detailed information, see page 8 for the statement of net position.

Major Factors Affecting the Statement of Net Position

Current assets decreased by $10,740, primarily due to a decrease in grant receivables.

Net capital assets decreased by $10,510 during the year from $142,213 at June 30, 2014 to $131,703 at June 30, 2015. The change can be largely attributed to depreciation expense of $41,376, partially offset by additions to capital assets of $32,329.

Current liabilities increased by $30,840, due largely to a net increase in accounts payable and checks issued in excess of bank balances of $35,640, partially offset by a $4,800 decrease in the current capital lease obligation. Non-current liabilities decreased by $890 due to payments on the capital lease obligation during the year ended June 30, 2015.

Changes in Unrestricted Net Position

Unrestricted net position, beginning of year	$ (35,281)
Change in unrestricted net position	(41,880)
Unrestricted net position, end of year	$ (77,161)

While the results of operations are a significant measure of the Trust's activities, the analysis of the change in unrestricted net position provides a clearer change in financial well-being. The decrease in net position resulted from a loss in operations, as well acquisitions of capital assets, partially offset by depreciation expense.

Statement of Revenue, Expenses, and Changes in Net Position

	2015	2014*
Revenues		
Recycling depot income	$ 191,078	$ 203,436
Membership assessments	913,300	914,800
Private donations	18,758	12,730
Grants	40,500	34,500
Other	11,081	5,594
Total revenues	1,174,717	1,171,060
Expenses		
Salaries and administrative contract labor	201,234	198,951
Operating	892,029	839,694
Administrative	64,737	59,530
Advertising	25,149	26,707
Professional fees	1,320	2,130
Depreciation	41,376	47,141
Interest expense	72	1,291
Total expenses	1,225,917	1,175,444
Change in Net Position	$ (51,200)	$ (4,384)

*Shown as restated

Major Factors Affecting the Statement of Revenue, Expenses, and Changes in Net Position

Total revenues remained consistent, increasing by $3,657 or less than 1%. Total expenses increased by $50,473, primarily due to an increase in operating expenses of $52,335 and offset by a decrease of $5,765 in depreciation expense.

Capital Assets

As of June 30, 2015, the Trust had $131,703 invested in a variety of capital assets as reflected in the following schedule, which represents a net decrease of $10,510 from the end of the year ended June 30, 2014.

	2015	2014*
Site improvements	$ 213,876	$ 208,474
Office furniture and equipment	21,243	23,664
Transportation equipment	287,360	320,586
Processing equipment	169,968	171,715
	692,447	724,439
Less accumulated depreciation	(560,744)	(582,226)
	$ 131,703	$ 142,213

*Shown as restated

The following summarizes the changes in capital assets:

Changes in Capital Assets

Balance, beginning of year	$ 142,213
Additions to capital assets	32,329
Disposals of capital assets, net	(1,463)
Depreciation	(41,376)
Balance, end of year	$ 131,703

This year's major additions are summarized as follows:

Processing equipment	$ 17,149
Site and building improvements	15,180
Total additions	$ 32,329

Economic Factors

The Trust has contracts in place with eleven member governments that assure funding through June 30, 2015. The board is presented a budget at the February Board of Directors meeting for the following year and generally it is approved at the March meeting. The M.e.t. continues a good relationship with their member governments and anticipates this to continue. There are also discussions about expanding the trust membership.

The value of recyclables has declined significantly and we cannot predict when this will improve. However, The Trust is working on expanding its recycling volume, revenue sources, and services provided to support the budget and better serve the community. There is also operational flexibility that can assist in handling budgetary constraints.

This is a transitional time for The M.e.t. and discussions have commenced that have already clarified the need for services throughout the community that are in line with The M.e.t. mission. One such area is in handling e-waste by e-cycling. This service is set to expand markedly in the near future.

Financial Contact

The individual to be contacted regarding this report is Graham Brannin, Executive Director 918-584-0584. Specific requests may be submitted to Graham Brannin, Executive Director, Williams Tower One, One West Third St. Suite 110, Tulsa, OK 74103.

	2015
Assets	
Current Assets	
Cash and cash equivalents	$ 300
Receivables	
Trade, no allowance for doubtful accounts	19,742
Other	1,608
Inventories	15,199
Prepaid expenses	8,424
Total current assets	45,273
Property and Equipment, net of depreciation	131,703
Total assets	176,976
Liabilities and Net Position	
Current Liabilities	
Accounts payable	65,207
Checks issued in excess of bank balances	57,227
Capital lease obligation - current	890
Total current liabilities	123,324
Net Position	
Net investment in capital assets	130,813
Unrestricted	(77,161)
Total net position	53,652
Total liabilities and net position	$ 176,976

	2015
Operating Revenues	
Recycling depot income	$ 191,078
Other income	8,082
Total operating revenues	199,160
Operating Expenses	
Salaries and administrative contract labor	201,234
Operating	892,029
Administrative	64,737
Advertising	25,149
Professional fees	1,320
Depreciation	41,376
	1,225,845
Operating Loss	(1,026,685)
Non-operating Revenue (Expense)	
Membership assessments	
General assessment	109,800
Depot assessment	428,500
Household pollutants collection event	375,000
Private donations	18,758
Grants	40,500
Interest income	13
Interest expense	(72)
Gain (Loss) on disposal of property and equipment	2,986
Total non-operating income (expense)	975,485
Change in Net Position	(51,200)
Net Position, Beginning of Year, as restated	104,852
Net Position, End of Year	$ 53,652

	2015
Operating Activities	
Cash received from recycling	$ 195,936
Other cash received	6,781
Cash paid to employees	(201,234)
Cash paid for operating expenses	(856,272)
Cash paid for administrative expenses	(64,737)
Cash paid for advertising	(25,149)
Cash paid for professional fees	(1,320)
Net Cash used for Operating Activites	(945,995)
Noncapital Financing Activities	
Membership assessments	913,300
Private donations	18,758
Receivables - Grants	7,066
Grants	40,500
Net Cash from Noncapital Financing Activities	979,624
Capital and Related Financing Activities	
Acquisition of capital assets	(32,329)
Payments on capital lease obligations	(5,690)
Interest paid	(72)
Proceeds on sale of capital assets	4,449
Net Cash used for Capital and Related Financing Activities	(33,642)
Investing Activities	
Interest income	13
Net Cash from Investing Activities	13
Net Change in Cash and Cash Equivalents	-
Cash and Cash Equivalents, Beginning of Year	300
Cash and Cash Equivalents, End of Year	$ 300

Reconciliation of Operating Loss to Net

Cash used for Operating Activities	
Operating loss	$ (1,026,685)
Adjustments to reconcile operating income to net cash used for operating activities	
Depreciation	41,376
Changes in assets and liabilities	
Accounts receivable	3,557
Prepaid expenses	(2,251)
Inventory	2,068
Accounts payable	35,940
Net cash used for Operating Activities	$ (945,995)

Note 1 - Principal Business Activity and Significant Accounting Policies

Organization and Reporting Entity

The Metropolitan Environmental Trust (the "Trust") was established August 5, 1988, and is a public trust created under the provisions of Title 60, Oklahoma Statutes, Section 176. The Trust is a cooperative effort of city and county governments in Northeast Oklahoma, created to develop solid waste management solutions for participating communities. It provides planning, education, recycling, and bulk waste projects and other solid waste programs for its members. The majority of the Trust's operating revenue is from recycling. The members of the Trust include the Cities of Bixby, Broken Arrow, Claremore, Collinsville, Coweta, Glenpool, Jenks, Owasso, Sand Springs, Tulsa, and the County of Tulsa.

The Friends of the M.E.T., Inc. was established August 4, 2010, and is a not-for-profit entity which is tax exempt under Section 501(c)(3) of the Internal Revenue Code, with the purpose of providing charitable support to the recycling, environmental and educational activities of the Metropolitan Environmental Trust, its member communities and the State of Oklahoma in an effort to lessen the burdens of government and educate the public about recycling, the future of solid waste disposal and strategies to reduce the amount of trash entering landfills. Friends of the M.E.T., Inc. is considered a component unit of the Trust and its financial statements are consolidated with the Trust. All significant intercompany accounts have been eliminated.

Basis of Accounting

The activities of the Trust are accounted for in a proprietary fund. Proprietary funds are used to account for a government's ongoing organizations and activities that are similar to those found in the private sector. The measurement focus is on the determination of net income, financial position, and cash flows. As a result, the Trust uses the accrual method of accounting, whereby revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The Trust distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses consist of revenues and expenses associated with recycling. All other revenues (including membership assessments) and expenses are reported as non-operating.

Cash and Cash Equivalents

Cash and cash equivalents consists of highly liquid investments with an original maturity of three months or less.

Cash balances are maintained at a financial institution. Bank balances at the financial institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. As of June 30, 2015, all cash balances are insured by the FDIC.

Accounts Receivable

Accounts receivable are short-term, non-interest bearing, and uncollateralized and are considered past due after 30 days. The Trust estimates an allowance for doubtful accounts based upon an evaluation of the current status of receivables, historical experience, and other factors as necessary.

As of June 30, 2015, there is no allowance for doubtful accounts. It is reasonably possible that the Trust's estimate of the allowance for doubtful accounts will change.

Property and Equipment

Property and equipment is recorded at cost. Expenditures for renewals and improvements that significantly add to the productive capacity or extend the useful life of an asset are capitalized. Expenditures for maintenance and repairs are charged to expense. When equipment is retired or sold, the cost and related accumulated depreciation are eliminated from the accounts and the resultant gain or loss is reflected in income.

Depreciation is provided using the straight-line method, based on useful lives of the assets as follows:

Site improvements	5 - 10 years
Office furniture and equipment	5 - 10 years
Transportation equipment	5 - 12 years
Processing equipment	3 - 10 years

The Trust reviews the carrying value of property and equipment for impairment whenever events and circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. In cases where undiscounted expected future cash flows are less than the carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of assets. The factors considered by management in performing this assessment include current operating results, trends and prospects, the manner in which the property is used, and the effects of obsolescence, demand, competition, and other economic factors. Based on this assessment there was no impairment at June 30, 2015.

Membership Assessments

Membership assessments are made to member governments for three separate purposes, each having a unique cost sharing formula. The first formula is for general membership assessment of the Trust, of which the cost sharing is based on a weighted formula. The second formula consists of contributions to the recycling program (the depot assessment) for both capital and operations, which is based on the relative populations of the members. The third formula is for a special Household Pollutants Collection Event, which is held semi-annually to dispose of rare household waste. The assessment for this program is based on past participation by the members.

In 2015, the cities of Tulsa and Broken Arrow combined contributed approximately 57% of the general membership assessments based on the first formula. In 2015, the cities of Tulsa and Broken Arrow contributed 76% of the assessments based on the second formula. In 2015, the cities of Tulsa and Broken Arrow combined contributed 85% of the assessments based on the third formula. No other single member government accounted for more than 5% of the membership assessments in 2015.

Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use, either through the enabling legislation adopted by the Trust or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. As of June 30, 2015, there is no restricted net position.

Note 2 - Property and Equipment

Property and equipment activity during the year ended June 30, 2015, consists of the following:

	June 30, 2014	Increases	Decreases	June 30, 2015
Site improvements	$ 208,474	$ 15,180	$ (9,778)	$ 213,876
Office furniture and equipment	23,664	-	(2,421)	21,243
Transportation equipment	320,586	-	(33,226)	287,360
Processing equipment	171,715	17,149	(18,896)	169,968
	724,439	32,329	(64,321)	692,447
Accumulated depreciation:				
Site improvements	(165,735)	(9,553)	9,031	(166,257)
Office furniture and equipment	(21,338)	(1,424)	1,705	(21,057)
Transportation equipment	(277,014)	(16,102)	33,226	(259,890)
Processing equipment	(118,139)	(14,297)	18,896	(113,540)
Total accumulated depreciation	(582,226)	(41,376)	62,858	(560,744)
Property and equipment, net	$ 142,213	$ (9,047)	$ (1,463)	$ 131,703

Depreciation expense totaled $41,376 for the year ended June 30, 2015.

Note 3 - Leases

The Trust leases facilities for the bailing center under non-cancellable operating leases. These leases require a total minimum monthly payment of approximately $4,700. Approximate future minimum rent obligations at June 30, 2015 are as follows:

Years Ending June 30,	Operating Leases
2016	$ 45,900
2017	32,000
2018	8,000
	$ 85,900

The Trust has entered into lease agreements for equipment to process collected materials at the Trust's bailing center. The lease agreements expire between October 2014 and October 2015 and are capital leases. The agreements require monthly payments of approximately $995. The assets and liabilities are recorded at the present value of future minimum lease payments. The equipment is being depreciated using the straight line method over the lease term.

The Trust has $26,420 recorded in processing equipment related to these capital leases at June 30, 2015. Accumulated depreciation related to these capital leases at June 30, 2015 was $24,220. In addition, the Trust has a current capital lease obligation of $890 at June 30, 2015. The present value of future minimum lease payments is $890 due in 2016.

Note 4 - Customer Concentrations

During 2015, four unaffiliated customers accounted for approximately 66% of the Trust's operating revenue. Revenue from these customers aggregated approximately $144,000 in 2015.

Note 5 - Risk Management

The Trust is exposed to certain risks related to the recycling of waste products. Any significant losses are covered by commercial insurance. There have been no significant reductions in insurance coverage and any settlement amounts have not significantly exceeded insurance coverage for 2015.

Note 6 - Restatements

An error was made in the previously issued financial statements for the year ended June 30, 2014, related to depreciation expense. Depreciation expense for the year ended June 30, 2014, was overstated by $10,406. This error was corrected in the accompanying 2015 financial statements, which resulted in increasing net position as of the beginning of the year ended June 30, 2015, by $10,406.

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Directors
The Metropolitan Environmental Trust
Tulsa, Oklahoma

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of The Metropolitan Environmental Trust (the Trust), which comprise the statement of net position as of June 30, 2015, and the related statements of revenues, expenses, and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 7, 2016.

Internal Control over Financial Reporting
In planning and performing our audit of the financial statements, we considered the Trust's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. Accordingly, we do not express an opinion on the effectiveness of the Trust's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the schedule of findings on the following page to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters
As part of obtaining reasonable assurance about whether the Trust's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Response to Findings
The Trust's responses to the findings identified in our audit are described in the accompanying schedule of findings. The Trust's responses were not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on them.

Purpose of this Report
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eide Bailly LLP

Tulsa, Oklahoma
January 7, 2016

Finding 2015-A: Financial Reporting

Condition:	The Metropolitan Environmental Trust does not have a process in place to prepare the financial statements and does not have a year-end financial reporting control system in place to prepare the financial statements' related footnote disclosures in accordance with Generally Accepted Accounting Principles (GAAP).
Criteria:	The development and implementation of a year-end financial reporting control system is the responsibility of the Trust's management. This process includes the preparation of financial statements and footnotes including all adjustments necessary to be presented in accordance with Generally Accepted Accounting Principles (GAAP). The auditor should not be part of the Trust's financial reporting control system. In addition, controls should be in place for the selection and application of accounting principles, in accordance with GAAP, and preparation of the related footnotes.
Cause:	The Trust has not implemented a process to prepare the financial statements in accordance with Generally Accepted Accounting Principles (GAAP).
Context:	The Trust's financial statements were exported out of its accounting software. The financial statements did not include the required disclosures. In addition, material adjustments were found.
Effect:	The audit firm prepared the audited financial statements and related disclosures.
Recommendation:	We recommend a control process be put in place to properly prepare the Trust's financial statements in accordance with Generally Accepted Accounting Principles (GAAP).
Response:	The Trust will look into and implement cost effective ways to separate the generation of financial statements from the auditing process.

Finding 2015-B: Material Adjustments, Including Prior Period Corrections

Condition:	During the course of our engagement, we proposed material audit adjustments for both the current period and prior period that would not have been identified as a result of the Trust's existing internal controls, and therefore could have resulted in a misstatement of the Trust's financial statements.
Criteria:	A good system of internal accounting control contemplates an adequate system for recording and processing entries material to the financial statements.
Cause:	The Trust does not have an internal control system designed to identify all necessary adjustments.
Context:	This finding impacts the Trust's internal control for all significant accounting functions.
Effect:	Material misstatements of the Trust's financial statements that would not be prevented or detected.
Recommendation:	A thorough review and reconciliation of accounts should take place prior to the beginning of the audit. This review should be done at the bookkeeper and supervisor level.
Response:	This should be an isolated occurrence due to a transition in bookkeepers. Processes have been implemented with the new bookkeeper to ensure proper recording of all future entries.