

# **Fraud Examination Casebook with Documents**

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# Fraud Examination Casebook with Documents

*A Hands-on Approach*

WILLIAM H. BEECKEN, CFE, CPA  
CLARK A. BEECKEN, CFE

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# Foreword

I am pleased to write this foreword to the *Fraud Examination Casebook with Documents: A Hands-on Approach* by William H. Beecken and Clark A. Beecken, a redoubtable father-son team of forensic accountants. Bill has been a seasoned forensic professional employed many years with the Federal Deposit Insurance Corporation (FDIC) Office of Inspector General, as well as the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF). Clark is currently working as a forensic auditor for the federal government.

Several years ago, as a faculty member in the School of Accountancy at Kennesaw State University (KSU), I came to know Bill as a popular faculty member at Southern Polytechnic State University—now the KSU Marietta campus—who taught forensic accounting in an innovative way. At the end of his course, it was part of the students’ end-of-term assignment to go through the real-world experience of being deposed as an “expert witness” by the local district attorney and overseen by a judge in the actual environs of the Marietta, Georgia, courthouse. A couple of times, I was a member of the audience in the courthouse, rather envious of Bill’s students who were being exposed to a mock-trial scenario. Hence, I enthusiastically commend and recommend Bill’s idiosyncratic interpretation of a hands-on approach!

From my very first meeting, Clark appeared to be a chip off the old block, cut of the same cloth, the apple that doesn’t fall far from the tree, etc.—sharp, incisive, and blessed with the technological adeptness and adroitness that comes with having grown up digital. So, I am not surprised that he has left his indelible mark on the book by focusing on Microsoft Excel, the industry standard for spreadsheets, featuring calculation, graphing tools, pivot tables, and such.

Among other things, this practical fraud casebook does a wonderful job of showing how Excel PivotTables may be profitably deployed—not only to summarize a huge amount of data but also to help trace Excel Pivot red flags back to source documents to understand the flow of money. After all, much of forensic accounting can be usefully described as the work of understanding

and investigating people, money, and associated patterns of behavior with great tenacity—colloquially described as the “follow the money” approach. Such work cannot be carried out without sophisticated data analysis in today’s data rich, information poor (DRIP) world.

It is one thing to appreciate the scope and reach of forensic accounting at a conceptual level; quite another to get your hands dirty with data, and recognize the power of data-driven insights and solutions. This book admirably makes that bridge from theory to practice happen. Rather than “hand waving,” you become hands-on—you don’t just talk, for talk is cheap, but you actually perform analyses and learn to manipulate data statistically to yield relevant and meaningful information. This information helps you gather evidence and arrive at inferences that support or challenge your hypotheses—a most exciting endeavor. After all, it is such information that can greatly help buttress one’s arguments, defend one’s position, persuade others in courtroom contexts, and thus, help win cases.

Dr. Sridhar Ramamoorti, ACA, CPA/CITP/CFF/CGMA, CIA, CFSA,  
CGAP, CRMA, CFE, CGFM, CRP, MAFF

Associate Professor of Accounting, School of Business Administration,  
University of Dayton, Ohio

Managing Principal, The Behavioral Forensics Group, LLC  
([www.bringingfreudtofraud.com](http://www.bringingfreudtofraud.com))



## MEMBERSHIPS

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Litigation Forensics Board, National Association of Certified Valuators &  
Analysts, 2016–

Lead author, *A.B.C.’s of Behavioral Forensics* (Hoboken, NJ: John Wiley & Sons,  
2013)

# Preface

Professors of graduate and undergraduate Fraud Examination courses often instruct students from a survey-level textbook and, if available, supplement their course with guest lecturers who work in the field. Those new to Fraud Examination often simply read a Fraud Examination textbook, specialized book dealing with some aspect of fraud, or study for the CFE Exam. Students usually complete a typical Fraud Examination course with general knowledge of complex human behaviors like greed and deception, a broad understanding of what fraud is and how fraud is committed, prevented, and resolved. However, they gain little or no hands-on experience using life-like accounting documents, databases, or witness interviews. They also do not learn how to apply Fraud Examination techniques like horizontal, vertical, and ratio analysis. Learning Fraud Examination theory is not enough to do the job effectively; “knowing” is different from “applying.”

This casebook was developed with a hands-on concept similar to that used to train federal special agents. It provides students and those new to Fraud Examination with cases based on real Fraud Examinations. The exercises take them from predication (e.g., receipt of allegations given in a case scenario) through producing a written report, schedules, and court-room ready audio-visu-als, which are ready for examination and cross-examination by attorneys in depositions, hearings, or trials. It gives the students and those new to Fraud Examination cradle-to-grave experience, painstakingly spreading and analyzing accounting documentation and related data, preparing audio-visu-als to simplify the complex, and preparing a report that adequately discusses the Fraud Examination, schedules, and audio-visu-als to an uninformed reader (e.g., an attorney). Students and those new to Fraud Examination learn such Fraud Examination techniques as horizontal and vertical analysis, examining the front and back of canceled checks, decoding debit card transactions, vouching to supporting documents, examining edits to digital information, using simple data analytics, and preparation of audio-visu-als to

simplify the complex. As with real Fraud Examinations, the students and those new to Fraud Examination must think outside of the box and connect the dots, often reading and rereading the scenario and examining and reexamining the accounting documents and witness interviews. Like in real life, they do not receive all of the information they would like to have.

The information they need is present in the case, but they have to dig deeply to find it all. In those courses where the professor uses a mock fraud trial as an additional teaching tool, a prosecutor and defense attorney can use the finished product to painfully examine and cross-examine students on the results of their completion of these exercises (Fraud Examination reports, schedules, and audiovisuals).

This work is the outgrowth of three earlier versions of the first two fraud cases, which were used to augment Fraud Examination courses at a state university (on-the-ground) and private university (online). Starting with the first Fraud Examination course students in the on-the-ground course were required to prepare reports, schedules, and audiovisuals and then meet in groups to prepare for the final examination: a mock fraud trial before a real judge, prosecutor, and defense attorney. During the pre-trial period, teams were selected for the defense and prosecution attorneys, and team reports, schedules, and audiovisuals were exchanged under discovery. Attorneys taught a session in how to testify as an expert witness and films were shown on the tips, tricks, and traps of testifying. During cross-examination, students quickly found out how inadequate work, misspoken words, and/or fear of the unknown impacted the effectiveness of their testimony on the results of their Fraud Examinations. Those teams that prepared most often did the best.

Based on prior experience, the first two cases are the most that should be used to supplement an undergraduate Fraud Examination course. It takes four to eight hours for each assignment to individually complete with worksheets and another eight to ten hours for teams to prepare reports, schedules, and audiovisuals. Considering the more intense writing requirements for graduate programs, graduate Fraud Examination students can and should work all five cases. Those new to Fraud Examination may take more or less hours depending on their experience level. Expect the first set of reports, schedules, and audiovisuals (fraud case 1) to be substandard. However, those that follow review comments often provide much improved products with the second set of reports, schedules, and audiovisuals (fraud case 2). The forensic data analytics case (case 4) is provided so business schools can introduce students to forensic data analytics. The “how-to” session provides an overview of Excel

Pivot. Finally, the conspiracy/loan fraud case was added to bring the serial cases full circle and emphasize that frauds may not be committed alone.

Writing this book came out of a need to provide students with a working knowledge of simple fraud cases and an avenue to quickly become Fraud Examiners. From past experience, graduates must first work as auditors, claims adjusters, forensic accountants, investigators, and so forth before getting an opportunity to enter the field. To get them entry-level positions right out of college required a large number of volunteers: guest lecturers, employers with Fraud Examination internships, and attorneys and CFEs willing to spend hours holding a mock fraud trial where students would testify as expert witnesses.

The following spoke about their real-world experience: Lew Brendle, J.D., Laurie Dyke, CFE CPA, Karen Fortune, CFE CPA, James F. Hart, CPA/ABV, CFE, Scott Hilsen, J.D, CFE, Tim Huhn, CFE, Phil Hurd, CISSP CIA, Deputy Chief Assistant District Attorney (White Collar Crime) John Melvin, J.D., David Sawyer, CFE, CPA, Special Agent Gary Sherrill, CFE, and Thomas Taylor, CFE. The Cobb County District Attorney's Office, Georgia Institute of Technology, and IAG Forensics & Valuation provided Fraud Examination internships. The following CFEs devoted days getting students prepared to testify as expert witnesses: Laurie Dyke, CFE CPA, Karen Fortune, CFE CPA, Luke Thomas, CFE CPA, and many of their junior associates with IAG Forensics & Valuation. The following attorneys and magistrates participated as judges and attorneys at the annual mock fraud trials: John Capo, J.D., Scott Poole, J.D., and Chief Judge Allen Wigington (Pickens County), Victor Hartman, J.D., CFE, CPA (former FBI District Counsel), and District Attorney Victor Reynolds, J.D., Deputy Chief Assistant District Attorney (White Collar Crime) John Melvin, J.D., Deputy Chief Assistant District Attorney (Major Litigation) Michael Carlson, J.D., and Assistant District Attorney Jason Marbutt, J.D. (Cobb County). In addition, thanks to the academic assistance provided by Donald Ariail, Ph.D., CFE, CPA and Sridhar Ramamoorti, Ph.D., CFE, CPA, CIA.

Finally, Clark and I want to thank Jeanne, our mother and wife, respectively. She has had to persevere through countless hours of solitary living while we wrote this casebook. Without her love and understanding, this casebook would not have been written.

# **Fraud Examination Casebook with Documents**

# Overview of the Serial Fraud Cases

## *(A Family of Fraudsters)*

**W**HEN YOU EXAMINE AN ALLEGED FRAUD, many of the facts are not readily apparent. Fraud examiners must dig up the hidden facts. In this casebook, you will learn a few fraud examiner tools and how to prepare a fraud examination report, associated schedules, and trial-ready audiovisuals.

Fraud examiners work in public and private entities: law enforcement agencies, insurance companies, Certified Public Accounting (CPA) firms, Certified Fraud Examination (CFE) firms, consulting firms, and corporate and university internal audit departments, to name a few. In these cases, you are working for an independent forensic accounting firm that specializes in forensic accounting and fraud examination. You work for an attorney under attorney-client privilege (i.e., your report is not readily available to other parties).

Fraudsters have hidden personal and/or financial problems that function as the pressure (motive) for committing the fraud. In these cases, you must discover their hidden problems by response to the requirements of the insurance contract, subpoena, and after serving a properly signed authorization to release financial records to the correct source and requesting the correct information. If you want to learn more about hidden personal and/or financial problems, review the doctoral research of Donald R. Cressey.

All five cases in this book are connected via marriage. Greg and Tonya Larsen are husband and wife and their finances are intertwined. Greg's finances impacts Tonya's finances, and vice versa. Greg owns and operates Larsen Convenience Store, Canton, Georgia, as a sole proprietorship. Tonya is the office manager for Anderson Internal Medicine in Lawrenceville, Georgia. As a sole proprietor, Greg must file an Internal Revenue Service (IRS) Schedule C (Profit or Loss from Business—Sole Proprietorship) with his personal federal income taxes.

## **FRAUDULENT FINANCIAL STATEMENTS**

Around midnight on December 31, 2015, a fire breaks out at Larsen Convenience Store.

Under his business insurance policy, Greg must submit a proof of loss and financial documents to his insurance company and submit to an examination under oath (EUO). Insurance companies often hire independent forensic accounting firms to perform a business interruption (BI) calculation that covers the loss of income as a result of the disaster. The BI calculation, which is also used as a fraud examination tool, includes net profits that would have been earned, fixed costs that continue to be incurred during the business interruption, and reimbursement of reasonable extra expenses. The calculation starts with a horizontal and vertical analysis of several months, quarters, or years of financial statements (whatever is available). This analysis often detects anomalies for closer examination and is used to calculate an estimate of the actual loss. It also detects trends (e.g., seasonality, increases/decreases in revenue and expenses) and can be compared to benchmarks (comparisons with similar-sized companies in the same industry), budgets, and required reports to franchisers and industry suppliers.

In large or suspicious disasters, insurance companies also hire attorneys to conduct the EUO. Crucial to developing EUO questions is the BI and/or fraud examination report.

The BI calculation often takes four to eight months because of delays in receiving needed financial information. During this period, the insured often receives no income from the business.

## **CHECK FRAUD, DEBIT CARD FRAUD, CASH LARCENY**

Just after Greg submits the proof of loss and requested financial documents (last three IRS individual tax returns [including Schedules C] and last three SBA personal financial statements) to the insurance company in late March, Anderson Internal Medicine receives a call from its banker. The business checking account is overdrawn by thousands of dollars. Working late into the night, Tonya changes IDs and passwords, shreds patient billing files, and quits.

## **FRAUDULENT EDITS/ADJUSTING JOURNAL ENTRIES TO CASH RECEIPTS**

After Tonya quits, Jennifer Anderson discovers adjustments to cash receipts.

You previously noted from your bank reconciliation that there is a significant amount of missing cash. You follow up on Dr. Anderson's discovery and perform additional work to identify the reason for the difference, the method of concealing the difference, and quantity of the money stolen.

## **EXCEL PIVOT ANALYZES AND SUMMARIZES A HUGE AMOUNT OF DATA**

You have spread six months of transactions (October through February) from the Anderson Internal Medicine bank statement. What does it mean? What other trends or interesting facts do you find? You will learn and use Excel Pivot, an easy to use data analytics function inside of Excel. It is easy to use and quickly analyzes, summarizes, and presents your data in a simplified format.

Dig deep! Not all company names listed on the bank statements are what they seem. For example, a \$3,000 debit payment to MG Sports Grill is actually \$3,000 paid to Marti Gras Atlanta (a strip club). You might find purchases for expensive entertainment, food and drinks, or travel. Are they applicable to Anderson Internal Medicine?

## **TRACING EXCEL PIVOT RED FLAGS BACK TO SOURCE DOCUMENTS AND DOCUMENTING THE FLOW OF MONEY**

In analyzing six months of transactions from the Anderson Internal Medicine bank statement, you detect a \$36,000.00 deposit from Greg Larsen and a number of disbursements that appear to benefit Greg Larsen, including one to a casino. What do these red flags mean? Why are these transactions funneled through Anderson Internal Medicine instead of Larsen Convenience Store? Is there a conspiracy, money laundering, or some other activity involved?

Although you thought you had completed Larsen Convenience long ago, these provide new leads that must be followed. Learn how to prepare the wording for subpoenas so you can trace forwards and backwards to the originating transaction. Learn how to document the flow of money from several bank accounts on schedules and simplify the movement via audiovisuals. Do you need an addendum to your report?

# 1

CHAPTER ONE

## Case 1: Fraudulent Financial Statements

### 1-1 LARSEN CONVENIENCE STORE: USING ANALYTICAL PROCEDURES IN DETECTING FINANCIAL STATEMENT FRAUD

#### Learning Objective

After completing and discussing this case, you should be able to:

1. Review and analyze financial statement information relating to a company's balance sheet and income statement accounts using horizontal and vertical analysis method.
2. Identify potential fraudulent financial accounts for closer scrutiny.
3. Understand one method used to estimate the loss from the destruction of the out-of-sight (destroyed) inventory (cost of goods sold as a percent of gross receipts).
4. Be able to use one ratio (days sales of inventory) to detect potentially misstated inventory balances.

## HISTORY BEHIND THE FRAUD CASE:

In one of the author's fraud cases, an incendiary device destroyed a franchised grocery store at 3:00 a.m. on December 31. The Special Agent in Charge (SAC) of the investigation wanted the case agent to close the case because the store experienced its best year ever. Why would the owner destroy a profitable business? At the time the request was made, two cause-and-origin teams concluded that the torches poured over 30 gallons of gasoline that caused a massive explosion, which blew the front windows several hundred feet into the parking lot, warped huge girders, and propelled a concrete wall into the street almost killing a motorist. The case agent pleaded with the author to give the financial information a second look to avoid closing the criminal investigation.

A quick horizontal and vertical analysis of gross receipts, beginning and ending inventory, cost of goods sold, and gross receipts highlighted a potential material misstatement with the ending inventory. Ending inventory was over \$300,000 higher and gross and net profits were substantially higher than in the prior three years. Telephone calls to the primary vendors revealed that the owner was delinquent and they had forced him to sign promissory notes and pay for all future shipments cash-on-delivery (COD). Agent interviews documented that the shelves were almost bare at the time of the fire.

A physical inventory taken at night 90 days before the fire was unusual. Instead of being taken during the day by professional inventory takers, it was allegedly taken by the owner and his tax accountant (a felon) late at night on a weekend. A handwriting analysis of the physical inventory tapes indicated that the tapes were not made by the owner or tax accountant. Thinking that the handwriting was that of the head teller, the case agent and author interviewed her. When confronted, she cried and then admitted to making up the ending inventory after the fire (and not 90 days before the fire) in the tax accountant's office a week after the fire. The fraud examination of the bank checking account and loan records revealed over 600 insufficient funds charges involving the owner and tax accountant and a bank loan made before the fire to help stop a constant overdraft of the owner's checking account. It also detected check kiting between the owner and tax accountant. A painstaking roll-forward of the inventory from the prior accounting period and benchmarks confirmed the material overstatement. The author testified as an expert witness for four days.

The jury convicted both the owner and tax accountant. The judge sentenced both to ten years; however, both were paroled after three years. Because the owner did not pay the \$1 million in restitution that started on the day he was released, a probation revocation hearing was held. During his incarceration, the owner's wife and daughter liquidated and spent his assets. The judge sent the owner back to prison for the remainder of his sentence.

## Introduction

Analytical procedures are powerful forensic accounting tools in conducting a fraud examination. When financial statements (balance sheet, income statement, and statement of changes) are available in whole or in part, analytical procedures can be useful as a starting point in a Fraud Examination. In an ideal world, the fraud examiner has a full set of financial statements (audited statements, reviewed statements, or compiled statements that are neither audited nor reviewed). In some cases, the fraud examiner has to work with only partial financial statements, for example, income statements (e.g., IRS Schedules C, proprietorship income tax returns) or balance sheets (e.g., personal financial statements given to a financial institution).

Analysis of these documents can provide leads and/or corroborative evidence that support other types of evidence (e.g., interviews and supporting financial documentation).

This case teaches the use of horizontal and vertical analysis of an income statement and personal financial statement. It also teaches the calculation of selected financial ratios to augment the horizontal and vertical analysis. In addition, it teaches one method for estimating out-of-sight inventories (e.g., inventories destroyed by fire, flood, or other catastrophe) using the cost of goods sold to gross revenues method. For extra credit (25 points), you may research and roll-forward the October 31, 2016, physical inventory to the date of destruction; adding purchases (which are at cost) and subtracting sales (which must be reduced from retail price at cost).

Normally, income statements prepared for tax purposes and personal financial statements are prepared separately and at different times of year and cannot be used together. In some cases, you can use both. Therefore, when conducting a fraud examination, you need to step back and determine what financial documents can be connected.

From experience with arson-for-profit cases, many proprietorship arsons take place at or near the end of the year. According to IRS regulations, ending inventory should be at or near yearend. Financial institutions often require its commercial loan customers to provide them with Small Business Administration (SBA) (or similar) personal financial statements at the beginning of the year. Since both documents are prepared around the same time, you may be able to use one (IRS Schedule C) as an income statement and the other personal financial statement) as the related balance sheet for ratio purposes. Note: Bank personal financial statements may not be a true balance sheet—the personal financial statement when a proprietorship is involved often includes both

personal and business assets and liabilities as well as personal sources of income (e.g., a spouse's salary). Accordingly, you may have to separate the personal and business assets and liabilities, as you will do in this case.

Net profit and loss and assets and liabilities may not be accurate. Through the following analyses, you will detect material abnormal balances from the facts of the case as well as by vouching<sup>1</sup> the totals listed on the statements back to original accounting documents (e.g., vendor bills, invoices, and summary statements, bank/mortgage loan statements, etc.) and determine what additional fraud examination steps, if any, should be taken.

## Background

Three months before Tonya Larsen walked out of Anderson Internal Medicine, a suspicious incendiary fire took place at her husband's convenience store in Canton, Georgia. As with most casualty claims, the examination of the claim takes months to complete as the company files a proof of loss and provides requested documentation, fraud examiners prepare business interruption calculations, and the attorney prepares for and then takes the insured's examination under oath (EUO). Under the standard insurance contract, the insured (Greg Larsen) must (1) provide requested financial documents and (2) submit to a EUO by an attorney hired by the insurance company. If the insured does not, he/she will not be paid for their loss.

The fire started at Larsen Convenience Store in Canton, Georgia, around midnight on December 31, 2015, and completely burned all of the structure and contents to the ground. Agents from the State Fire Marshal's office and independent cause and origin experts hired by the insurance company conducted a cause and origin investigation of the fire scene and determined that the fire was incendiary (i.e., intentionally set as opposed to being caused by natural, mechanical, or electrical causes). The deputy fire marshals and experts found four sources of ignition. Georgia Bureau of Investigation chemists analyzed carpet and wood samples identified by arson dogs at the fire scene and found the samples to contain hydrocarbons in the same category as gasoline. Insurance company special agents also asked Greg Larsen the following questions:

1. Who discovered the fire?
2. How was he notified of the fire?

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<sup>1</sup>Vouching is an auditing term indicating the examination of a number of a financial statement (total number or individual transaction) back to documentary evidence or supporting documentation.

3. Who was the last person in the building?
4. Who has keys to the building?
5. Did he notice any unusual activity before the fire?
6. Is he the owner or the tenant?
7. What is the location of flammables, utilities, etc.?
8. Did he know of any fire hazards and flammable liquid storage?
9. How were the business and his personal finances at the time of the fire?

Among his answers, Greg Larsen said that he (his business) had just completed its best year ever, sales and net profits were significantly higher than prior years. Larsen also stated that he rented the building from J. L. Jensen LLC for \$1,000 a month and had 24 months left on his lease. Larsen told the agents that surely a pyromaniac or someone with a grudge lit the fire.

Because the cause was an incendiary fire, Southern Appalachian Insurance assigned the follow-up civil investigation to its Special Investigative Unit (SIU) and expanded the services of Alexander Z. Boone to include the casualty loss claim. On March 18, 2016, Greg Larsen filed the proof of loss with Southern Appalachian Insurance for the loss of his inventory, shelving, and leasehold improvements and business interruption (lost net profits and continuing expenses). As requested by the attorney, Greg Larsen also provided financial records, including the 2013, 2014, and 2015 federal income tax returns and January 7, 2014, 2015, and 2016 SBA personal financial statements filed with Sharptop Bank, and a physical inventory he took on October 31, 2015. The 2015 federal income tax return shows that Greg Larsen had his best year ever, having net income totaling \$130,458. With such a great net income, Attorney Boone thought that Greg Larsen had no financial motive to burn his store.

Thus far, the SIU special agents found:

1. Greg Larsen primary suppliers, Georgia-Tennessee Fuel Partners, Shamrock Groceries, Discount Tobacco Supply, Marietta Beverage Company, and Jenkins Media Services had required Greg Larsen in early November 2015 to sign promissory notes for their respective unpaid balances. Instead of cutting him off, each made future deliveries subject to cash on delivery. The special agents had Greg Larsen sign an Authorization to Release Financial Records and obtained records from the vendors and Georgia Department of Revenue.
2. Regular customers of Larsen Convenience stated that in the days leading up to the fire, Larsen did not carry their brand of beer, snacks, and tobacco.

In fact, the beer and tobacco inventory looked low (i.e., half the tobacco bins behind the counter were empty).

3. Larsen had a sale on paper towels, which sat on a pallet in the center of the store.
4. Several years ago, Greg Larsen had a heated argument with his nephew, an employee of the store, in the parking lot. Greg Larsen jumped into his truck, backed it up in anger, and accidentally ran over and killed his nephew. His sister and brother-in-law sued him in state court for wrongful death and won a \$500,000 judgment. The state court judge handed down his decision in mid-October 2013. The appellate court affirmed the lower court decision in September 2014, and the Georgia Supreme Court denied certiorari in May 2015. The denial of certiorari had the direct effect of upholding the appellate court's decision and making the \$500,000 judgment a collectible debt. In July 2015, Southern Appalachian Insurance paid his sister and brother-in-law \$75,000, the limit of the business liability insurance policy. In September 2015, his sister and brother-in-law obtained a court order and subsequently seized the funds in his business bank account and put a lien on his business assets.
5. Greg and Tonya Larsen were in arrears on their mortgage at the end of December and potentially facing foreclosure unless they came up with several thousand dollars.

## Summary Requirements

Your role in the examination of the Greg Larsen has been expanded by Alexander Z. Boone to perform the following under attorney-client privilege:

- A financial condition (solvency) analysis of Greg Larsen's business (Larsen Convenience Store) at the time of the fire
- Review the claimed casualty loss and determine the estimated inventory loss on the fire date

Before proceeding, read the documents in Chapter 7, section 7-1, "Larsen Convenience Store." As you work the case, you will have to read and reread the documents to fully understand the evidence.

Study section 1-2 on *How to Perform a Vertical and Horizontal Analysis* that follows this case before conducting the specific requirements relating to this analysis.

The results of your assignment will be used by the attorney during the EUO. Your assignment (in general) is, as follows:

1. Perform a financial condition analysis of Larsen Convenience as of the fire date, using the tax returns, SBA personal financial statements, October 31, 2015, physical inventory, and all information at your disposal. Among other procedures,
  - a. Perform two separate vertical and horizontal analyses of the 2013–2015 Schedules C and January 7, 2014, 2015, and 2016 SBA personal financial statements. Highlight material differences.
  - b. Calculate the 2015 estimated ending inventory using the cost of goods sold/gross revenues method using the tax returns:
    - i. Calculate the average cost of each product line (e.g., beverages, groceries, tobacco) and associated average gross revenue (e.g., revenue groceries/food) for 2013 and 2014 by adding the totals for both years and dividing result by 2.
    - ii. Divide the average cost of each product line by the average gross revenue.
    - iii. Multiply the result by the associated 2015 gross revenue to derive the estimated 2015 cost of product line (e.g., cost of beverages, groceries, and tobacco).
    - iv. Back into the estimated 2015 ending inventory by adding beginning inventory and purchases and then subtracting the estimated 2015 cost of product.
    - v. Recalculate the gross profit and net profit.
    - vi. Repeat for each of the ending inventories that appear to be overstated.
2. Calculate the Days Sales of Inventory ratio for December 31, 2013, 2014, and 2015 for total, groceries, beverages, and tobacco sales.
3. Determine the types of alleged frauds perpetrated by Greg Larsen related to reporting the financial data for Larsen Convenience. **DO NOT allege arson!**
4. Prepare a report and associated schedules using the sample report and schedules.
5. Prepare audiovisuals (e.g., charts, summary schedules, and/or graphs of your choice) to simplify these complex accounting issues. Hint: Comparison of balance sheet and income statement assertions (e.g., inventory at the end of the years 2013, 2014, and 2015) make easy to understand audiovisuals.

The initial steps (see exercises) are to be completed individually. You may confer online on strategy, but do your own work. In particular, each student is to schedule and analyze the tax returns and SBA personal financial statements using Excel, calculate the days sales of inventory ratio, and submit their Excel working papers for grades. These steps will be performed as a series of graded exercises designed to walk you through the process.

The final exercise is a team project. Each team will submit a final examination report addressed to the attorney for Southern Appalachian Insurance, accompanying set of schedules, and audiovisuals for a grade. Each team is to select a team leader, who assigns various tasks to each member of the team, emails a list of each student's assignment, and emails the final deliverables. The team leader is responsible for quality control and should not take on any additional tasks.

## Accuracy Certifications and Potential False Statements

When examining financial statements, be aware that most common financial documents have certifications as to the accuracy of the submitted information above or below the signature line. Whoever knowingly prepares and/or submits MATERIALLY untrue, inaccurate, incomplete, or misleading information can be prosecuted for making MATERIAL misstatements.

In this case, you will examine IRS Forms 1040, SBA Personal Financial Statements, and a Sworn Statement in Proof of Loss. All three have accuracy certifications.

### *IRS Form 1040*

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayers) is based on all information of which preparer has any knowledge.

### *Small Business Administration (SBA) Personal Financial Statement*

**CERTIFICATION:** (to be completed by each person submitting the information requested on this form)

By signing this form, I certify under penalty of criminal prosecution that all information on this form and any additional supporting information submitted with this form is true and complete to the best of my knowledge. I understand that SBA or its participating Lenders or

Certified Development Companies or Surety Companies will rely on this information when making decisions regarding an application for a loan or a surety bond. I further certify that I have read the attached statements required by law and executive order.

### *Sworn Statement in Proof of Loss*

Any person who knowingly and with intent to injure, defraud or deceive any insurance company files a statement of claim containing any false, incomplete or misleading information is guilty of a felony of the third degree.

## **When Contacting Law Enforcement, Do Not Forget the IRS Criminal Investigation Division (CID)**

When you have completed your fraud examination, your client, employer, or insurance may want to refer your findings to local law enforcement. Often, alleged fraud cases prosecuted at the local level result in probation and no prison due to overcrowding. Fraudsters are not violent criminals. IRS regulations require that ill-gotten gains be reported on the fraudster's income tax return. However, when fraudsters steal money, they often do not report it on their income tax returns. If IRS CID takes the tax evasion case and it goes to trial, fraudsters often receive sentences of 44 to 48 months incarceration. In one fraud examination, the fraudster stole an average of \$12,000 a month for three years. The local detective said he had never seen more than probation given. IRS CID took the case, and two years later the fraudster was convicted and sent to jail for 44 months.

## **1-2 HOW TO PERFORM A HORIZONTAL, VERTICAL, AND RATIO ANALYSIS**

### **Learning Objective**

After reading this synopsis, you should be able to:

1. Horizontally spread fraudulent data (e.g., from balance sheets, income statements, monthly inventory summaries).
2. Where applicable, add common-sized ratios.
3. Identify horizontal and vertical anomalies (e.g., an account where the balance materially increased or decreased in comparison with prior periods) and/or trends (e.g., seasonality in the revenue account).
4. Estimate the actual amount of a material anomaly (e.g., ending inventory).

## Introduction

Horizontal and vertical analysis is a tool to compare common financial information that is recorded monthly, quarterly, and/or annually. The more data points available (36 monthly versus three annual financial statements) the better the analysis of trends (e.g., seasonality, steadily increasing or decreasing revenues, steadily increasing or decreasing expenses) and abrupt changes (e.g., huge quarterly decreases in certain expenses like salaries and wages). By itself, or combined with ratio analysis between financial statements (e.g., days sales in inventory and days sales in receivables), the fraud examiner can use this tool to pinpoint accounts that require further examination (e.g., obtaining and examining documents and/or conducting interviews).

Below is a discussion of horizontal, vertical, and ratio analysis using only three annual income statements (IRS Schedules C, Profit or Loss for a Proprietorship). Similar analysis can be performed for 12 quarterly or 36 monthly unaudited financial statements (balance sheet, income statement, and statement of cash flow) as well as other financial information like comparative physical inventories.

## Steps in Performing a Horizontal and Vertical Analysis

Performing a horizontal and vertical analysis on a spreadsheet is a multistep process.

### *STEP 1: Schedule the Data*

Schedule the financial information. Below is an IRS Schedule C (Proprietorship Profit & Loss Statement) from an individual's tax return. You can schedule other sets of financial information like balance sheets, specific account totals by month, quarter, or year (e.g., customer accounts receivable totals, accounts payable totals, inventory totals, monthly purchases by type).

	<b>From Schedules C</b>		
	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Gross receipts</b>	<b>\$320,000</b>	<b>\$350,000</b>	<b>\$300,000</b>
Beginning inventory	90,000	95,000	99,000
Purchases	250,000	275,000	235,000
Ending inventory	<u>95,000</u>	<u>99,000</u>	<u>145,000</u>
<b>Cost of goods sold</b>	<b><u>\$245,000</u></b>	<b><u>\$271,000</u></b>	<b><u>\$189,000</u></b>
<b>Gross profit</b>	<b><u>\$75,000</u></b>	<b><u>\$79,000</u></b>	<b><u>\$111,000</u></b>

	<b>From Schedules C</b>		
	<b>2013</b>	<b>2014</b>	<b>2015</b>
Advertising	700	900	1,000
Car & truck expenses	6,000	6,000	6,000
Insurance	3,000	3,000	4,000
Interest—other	100	1,600	1,800
Legal & professional	750	750	15,000
Office	395	950	550
Rent	10,800	10,800	10,975
Repairs	900	1,200	1,655
Supplies	1,500	1,668	3,000
Taxes & licenses	1,800	1,200	1,500
Utilities	4,000	4,000	5,900
Wages	<u>4,000</u>	<u>4,000</u>	<u>1,666</u>
<b>Total expenses</b>	<b><u>\$33,945</u></b>	<b><u>\$36,068</u></b>	<b><u>\$53,046</u></b>
<b>Net profit/loss</b>	<b><u>\$41,055</u></b>	<b><u>\$42,932</u></b>	<b><u>\$57,954</u></b>

### STEP 2: Add Common-sized Ratios

Add common-sized percentages (e.g., use *gross receipts* as the base for income statements, *total assets* as the base for balance sheets, *total inventory* for inventory summaries). Do not clutter the percent column with unneeded decimals (like 28.1% or 28.15%). Round up unless specificity is needed.

	<b>From Schedules C</b>					
	<b>2013</b>	<b>%</b>	<b>2014</b>	<b>%</b>	<b>2015</b>	<b>%</b>
Gross receipts	\$320,000	100%	\$350,000	100%	\$300,000	100%
Beginning inventory	90,000	28%	95,000	27%	99,000	33%
Purchases	250,000	78%	275,000	79%	235,000	78%
Ending inventory	<u>95,000</u>	<u>30%</u>	<u>99,000</u>	<u>28%</u>	<u>145,000</u>	<u>48%</u>
<b>Cost of goods sold</b>	<b><u>\$245,000</u></b>	<b><u>77%</u></b>	<b><u>\$271,000</u></b>	<b><u>77%</u></b>	<b><u>\$189,000</u></b>	<b><u>63%</u></b>
<b>Gross profit</b>	<b><u>\$75,000</u></b>	<b><u>23%</u></b>	<b><u>\$79,000</u></b>	<b><u>23%</u></b>	<b><u>\$111,000</u></b>	<b><u>37%</u></b>

(continued)

	From Schedules C					
	2013	%	2014	%	2015	%
Advertising	700	0%	900	0%	1,000	0%
Car & truck expenses	6,000	2%	6,000	2%	6,000	2%
Insurance	3,000	1%	3,000	1%	4,000	1%
Interest—other	100	0%	1,600	0%	1,800	1%
Legal & professional	750	0%	750	0%	15,000	5%
Office	395	0%	950	0%	550	0%
Rent	10,800	3%	10,800	3%	10,975	4%
Repairs	900	0%	1,200	0%	1,655	1%
Supplies	1,500	0%	1,668	0%	3,000	1%
Taxes & licenses	1,800	1%	1,200	0%	1,500	1%
Utilities	4,000	1%	4,000	1%	5,900	2%
Wages	<u>4,000</u>	<u>1%</u>	<u>4,000</u>	<u>1%</u>	<u>1,666</u>	<u>1%</u>
<b>Total expenses</b>	<b><u>\$33,945</u></b>	<b><u>11%</u></b>	<b><u>\$36,068</u></b>	<b><u>10%</u></b>	<b><u>\$53,046</u></b>	<b><u>18%</u></b>
<b>Net profit/loss</b>	<b><u>\$41,055</u></b>	<b><u>13%</u></b>	<b><u>\$42,932</u></b>	<b><u>12%</u></b>	<b><u>\$57,954</u></b>	<b><u>19%</u></b>

### STEP 3: Analyze Dollars and Percentages Horizontally and Vertically

Analyze vertically and horizontally for anomalies in dollars and by percentages (e.g., trends up or down, abnormal common-sized ratios, abrupt changes in account totals). In the following example, the 2015 ending inventory is significantly higher than the prior two years in both dollars and as a percent of gross receipts. Similarly, interest is up slightly, but legal and professional expenses increased significantly, while wages are materially lower.

	From Schedules C					
	2013	%	2014	%	2015	%
Gross receipts	\$320,000	100%	\$350,000	100%	<b>\$300,000</b>	100%
Beginning inventory	90,000	28%	95,000	27%	99,000	<b>33%</b>
Purchases	250,000	78%	275,000	79%	235,000	78%

	From Schedules C					
	2013	%	2014	%	2015	%
Ending inventory	<u>95,000</u>	<u>30%</u>	<u>99,000</u>	<u>28%</u>	<b><u>145,000</u></b>	<b><u>48%</u></b>
<b>Cost of goods sold</b>	<b><u>\$245,000</u></b>	<b><u>77%</u></b>	<b><u>\$271,000</u></b>	<b><u>77%</u></b>	<b><u>\$189,000</u></b>	<b><u>63%</u></b>
<b>Gross profit</b>	<b><u>\$75,000</u></b>	<b><u>23%</u></b>	<b><u>\$79,000</u></b>	<b><u>23%</u></b>	<b><u>\$111,000</u></b>	<b><u>37%</u></b>
Advertising	700	0%	900	0%	1,000	0%
Car & truck expenses	6,000	2%	6,000	2%	6,000	2%
Insurance	3,000	1%	3,000	1%	4,000	1%
Interest—other	100	0%	1,600	0%	1,800	1%
Legal & professional	750	0%	750	0%	<b>15,000</b>	<b>5%</b>
Office	395	0%	950	0%	550	0%
Rent	10,800	3%	10,800	3%	10,975	4%
Repairs	900	0%	1,200	0%	1,655	1%
Supplies	1,500	0%	1,668	0%	3,000	1%
Taxes & licenses	1,800	1%	1,200	0%	1,500	1%
Utilities	4,000	1%	4,000	1%	5,900	2%
Wages	<u>4,000</u>	<u>1%</u>	<u>4,000</u>	<u>1%</u>	<b><u>1,666</u></b>	<b><u>1%</u></b>
<b>Total expenses</b>	<b><u>\$33,945</u></b>	<b><u>11%</u></b>	<b><u>\$36,068</u></b>	<b><u>10%</u></b>	<b><u>\$53,046</u></b>	<b><u>18%</u></b>
<b>Net profit/loss</b>	<b><u>\$41,055</u></b>	<b><u>13%</u></b>	<b><u>\$42,932</u></b>	<b><u>12%</u></b>	<b><u>\$57,954</u></b>	<b><u>19%</u></b>

#### STEP 4: (Optional) Estimate the Impact of the Anomaly

The previous analysis detects some material differences. In the example above, ending inventory is a material anomaly (45% of gross receipts versus 28–30% of gross receipts in prior years). This anomaly *overstates* assets on the balance sheet (ending inventory) and *understates* gross and net profit on the income statement. In such circumstances you may want to *estimate the impact* of the anomalies. One method for estimating the ending inventory is the cost of goods sold/gross receipts method, which is demonstrated as follows.

### Using the Periodic Inventory Formula

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NOTE: Below is an example of the periodic inventory method where the company takes a physical inventory. The physical inventory is subtracted from the goods available for sale.

<b>Take a Physical Inventory</b>	<b>Example</b>
Beginning inventory	\$100,000
Plus: Purchases	<u>300,000</u>
Equals: Goods available for sale	400,000
Minus: Ending inventory (B/S)	<u>(75,000)</u>
Equals: Cost of goods sold (I/S)	\$325,000

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NOTE: The periodic inventory method is *reversed* when the company cannot take an ending inventory (e.g., inventory is destroyed). The example takes numbers for the comparative schedules above.

First, *estimate* the cost of goods sold by dividing the average cost of goods sold by the average gross receipts from prior periods (using the previous example).

	<u>2013</u>	<u>2014</u>	<u>Average</u>
Cost of goods sold	\$245,000	\$271,000	\$258,000
Gross receipts	\$320,000	\$350,000	\$335,000
Percentage (CGS/Gross receipts)			77%
2015 Gross receipts		×	<u>\$300,000</u>
2015 Estimated cost of goods sold			\$231,000

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Second, plug the estimated cost of goods sold into the formula to get the estimated ending inventory.

<b>Inventory Destroyed</b>	<b>Example</b>	
Beginning inventory	\$99,000	
Plus: Purchases	235,000	
Minus: Est. Cost of goods sold	<u>(231,000)</u>	<b>Estimate using prior COGS/Gross Revenue</b> ←
Equals: Est. Ending inventory	\$103,000	

### 1-3 EXERCISES—FRAUDULENT FINANCIAL STATEMENTS (LARSEN CONVENIENCE STORE)

#### Exercise 1: Individual Assignment

1. Input the IRS Schedules C from the 2013–2015 income tax returns into a spreadsheet.
  - a. Add percent columns to the right of dollar column for each year.
  - b. Calculate common-sized percentages in the percent columns [divide each number for that year (e.g., 2013) by gross receipts for that year (e.g., 2013)].
  - c. Review the dollars horizontally across the three years and vertically down each year and identify any material irregularities.
  - d. Review the percentages horizontally across the three years and vertically down each year and identify any material irregularities.
  - e. Are there any material trends or material single-year changes (e.g., material increases or decreases)?
2. Input the other metrics from the individual tax returns (e.g., income from wages and salaries, interest earned, and estimated tax payments).
  - a. Review the dollars horizontally across the three years and vertically down each year and identify any material irregularities.
  - b. Compare estimated tax payments with total taxes for the year (vertically during the same year).
  - c. Are there any material trends or material single-year changes (e.g., material increases or decreases)?
3. Because you did not observe the inventory, which was destroyed in the fire, estimate ending inventory using the 2013 and 2014 dollars and percentages (**Method #1: Cost of goods sold to gross receipts ratio**).

- a. Because you did not observe the inventory, estimate the ending inventory for 2015 by:
  - i. Averaging the 2013 and 2014 cost of goods sold and 2013 and 2014 gross receipts, and then dividing the average cost of goods sold by the average gross receipts. You cannot use an average of an average (e.g., Cost of goods sold/Gross receipts ratios for 2013 and 2014), which can distort the average. You must calculate the average for each and then the Cost of goods sold/Gross receipts ratio.
  - ii. Multiply the resultant percentage from 3.a.i. by the 2015 gross receipts to get an estimated 2015 cost of goods sold total in dollars.
4. How does the estimated ending inventory impact the individual income tax return ending inventory, cost of goods sold, net profit, and net income? Find out by adding an additional column for 2015 and recalculate cost of goods sold using the estimates calculated above. Every number in that column is identical to the recorded 2015 column except estimated inventory, cost of goods sold, gross profit, and net profit.
5. Compare your recalculated ending inventory to that given to Sharptop Bank and to Southern Appalachian Insurance. Is either estimated ending inventory materially different from that reported on the 2015 IRS Schedule C?
6. *OPTIONAL (extra credit points determined by professor)* Because you did not observe the inventory, which was destroyed in the fire, estimate ending inventory by rolling the October 31, 2015, physical inventory totals forward (**method #2**).
  - a. Starting with the October 31, 2015, physical inventory, roll the inventory forward at cost by adding the purchases from November 1, 2015, through December 31, 2015 (according to the various wholesaler purchase records), to the December 31, 2015, physical inventory totals. This results in the inventory available for sale during 2015.
  - b. Then, reduce the inventory available for sale by the sales from November and December 2015 Georgia Sales and Use Tax Returns. Note: These sales are at retail price and must be reduced to wholesale cost. Use the Cost of goods sold/Gross receipts ratio determined in 3.a.i.
7. *OPTIONAL (extra credit points determined by professor)* Go to a business library or university librarian and locate RMA Annual Financial Statement Studies or a similar publication and locate convenience stores and comparable ratios (e.g., cost of goods sold to total revenues). How does the cost of goods sold to total receipts ratio in that publication compare to the ratios on the 2015 IRS Schedule C?

## Exercise 2: Individual Assignment

1. Input information from the SBA Personal Financial Statements given to Sharptop Bank into a spreadsheet.
  - a. Separate personal items (e.g., residence) from business items (e.g., inventory).
  - b. Calculate common-sized percentages (divide each number by gross receipts for income statement items and total assets for balance sheet items for that particular year).
  - c. Review the dollars horizontally across the three years and vertically down each year and identify any material irregularities.
  - d. Review the percentages horizontally across the three years and vertically down each year and identify any material irregularities.
  - e. Trace business items (e.g., accounts payable) to information provided by suppliers (e.g., fuel, groceries, beverage, tobacco, and print media sales summaries). Calculate any differences.
  - f. Compare the reported inventory to the income tax returns and proof of loss (e.g., ending inventory). Calculate any differences.
2. If the tax return or insurance claim is misstated, did Greg Larsen commit some form of financial statement fraud?
3. What accuracy certifications on the tax return and bank financial statement address providing materially inaccurate information?
4. Was Larsen Convenience solvent on January 7, 2016? Solvency is defined three ways: (a) having more assets (particularly current assets) than liabilities (particularly current liabilities), or (b) Larsen Convenience cannot pay its debts when the dates come due, or (c) both (a) and (b).
5. How does Greg Larsen's business solvency impact his wife Tonya Larsen?

## Exercise 3: Group Assignment—Writing Report and Associated Schedules

1. Prepare a final examination report to the attorney for Southern Appalachian Insurance and an accompanying set of schedules.
2. Prepare court-ready audiovisuals (e.g., one-page chart of talking points, summary schedule of the categories of the alleged material misstatements or omissions, comparative bar chart of a single item like ending inventory or net profit). Reference the schedules and audiovisuals in the report.



**1-4 EXERCISE TEMPLATES**

**Larsen Convenience Store—Exercise #1**

**Financial Statement Fraud, Exercise #1 — Template**

	From Schedules C (AS REPORTED)						REVISED based on Estimated Ending Inventory	
	2013	%	2014	%	2015	%	2015	%
<b>Revenue</b>								
Fuel revenue								
Beginning inventory								
+ Purchases								
= Ending inventory								
Cost of fuel								
Gross profit								
Groceries/food revenue								
Beginning inventory								
+ Purchases								
= Ending inventory								
Cost of groceries								
Gross profit								
Beverages revenue								
Beginning inventory								
+ Purchases								
= Ending inventory								
Cost of beverages								
Gross profit								
Tobacco revenue								
Beginning inventory								
+ Purchases								
= Ending inventory								
Cost of tobacco								
Gross profit								
Print media revenue								
Beginning inventory								
+ Purchases								
= Ending inventory								
Cost of print media								
Gross profit								
Bank ATM rents								
Beginning inventory								
+ Purchases								
= Ending inventory								
Cost of bank ATM rents								
Gross profit								
<b>Total revenue</b>								
Beginning inventory								
+ Purchases								
= Ending inventory								
<b>Total cost of goods sold</b>								
<b>Total gross profit</b>								
<b>Expenses</b>								
Administration fee								
Advertisement								
Cash over/short								
Credit card fees								
Rent expense								
Equipment station repair								
Expense items								
Insurance								
NSF checks expense								

Payroll tax expense				
Permits/legal				
Salaries				
Taxes				
Utilities				
Total All Expenses				
<b>Net Profit (REPORTED)</b>				
<b>Net Profit (REVISED)</b>				-
<b>Difference (Reported, Less/ Estimated)</b>				

(a) Ending Inventory Is Estimated using Cost of Goods Sold/Gross Receipts Method				% PROOF
	2013	2014	2013-2014 Avg.	2015 (Estimated)
Cost of groceries				
Gross Revenue - Groceries/Food				
	2013-2014 Percent COGS/Gross receipts			
Cost of beverages				
Gross Revenue - Beverages				
	2013-2014 Percent COGS/Gross receipts			
Cost of tobacco				
Gross Revenue - Tobacco				
	2013-2014 Percent COGS/Gross receipts			

DAYS SALES OF INVENTORY CALCULATION				% PROOF
	2013	2014	2015 (Reported)	2015 (Estimated)
<b>TOTAL INVENTORY</b>				
Inventory	\$ -	\$ -	\$ -	\$ -
/ Cost of Sales	-	-	-	-
X 365 Days Sales of Inventory				
<b>GROCERIES INVENTORY</b>				
Inventory				
/ Cost of Sales				
X 365 Days Sales of Inventory				
<b>BEVERAGES INVENTORY</b>				
Inventory				
/ Cost of Sales				
X 365 Days Sales of Inventory				
<b>TOBACCO INVENTORY</b>				
Inventory				
/ Cost of Sales				
X 365 Days Sales of Inventory				

OTHER INCOME TAX RETURN INFORMATION - NOT IN SCHEDULES C			
	2013	2014	2015 (Reported)
Wages, salaries			
Interest			
Estimated Tax Payments			

## Larsen Convenience Store—Exercise #2

### Financial Statement Fraud, Exercise #2 — Template

January 2014, 2015, 2016 Financial Statements

Larsen Convenience

Source: Sharptop Bank

I.a. - 1.b.

	As Given (Reported) to Sharptop Bank		
	1/7/2014	1/7/2015	1/7/2016
Residence - 213 Underwood Street, Canton, Georgia			
Cash - Savings			
Cash - Sharptop Bank (Larsen's Convenience)			
2011 Jeep Grand Cherokee			
2014 Ford F-150			
Household goods			
Leasehold improvements			
Inventory (Larsen's Convenience)			
Total assets	\$ -	\$ -	\$ -
Credit card - Sharptop Bank			
Automobile loan - Sharptop Bank			
Truck loan - Sharptop Bank			
Accounts payable - Shamrock Groceries			
Accounts payable - Discount Tobacco Supply			
Accounts payable - Marietta Beverage Co.			
Accounts payable - Georgia-Tennessee Fuel			
Accounts payable - Jenkins Media Services			
State sales and use taxes payable			
SBA note payable			
Mortgage - Integrity Mortgage			
Total liabilities	\$ -	\$ -	\$ -
Total equity	\$ -	\$ -	\$ -
Total liabilities and equity (equals total assets)	\$ -	\$ -	\$ -

	Business Assets & Liabilities Only			REVISED
	1/7/2014	1/7/2015	1/7/2016	(Per Source Docs.) 1/7/2016
Cash - Sharptop Bank (Larsen's Convenience)				
Leasehold improvements				
Inventory (Larsen's Convenience)				
Total assets	\$ -	\$ -	\$ -	\$ -
Accounts payable - Shamrock Groceries				
Accounts payable - Discount Tobacco Supply				
Accounts payable - Marietta Beverage Co.				
Accounts payable - Georgia-Tennessee Fuel				
Accounts payable - Jenkins Media Services				
State sales and use taxes payable				
Note payable				
Wrongful death liability				
Total liabilities	\$ -	\$ -	\$ -	\$ -
Total equity	\$ -	\$ -	\$ -	\$ -
Total liabilities and equity (equals total assets)	\$ -	\$ -	\$ -	\$ -

Personal Assets & Liabilities Only			
	1/7/2014	1/7/2015	1/7/2016
Residence - 213 Underwood Street, Canton, Georgia			
Cash - Sharptop Bank (Tonya)			
2011 Jeep Grand Cherokee			
2014 Ford F-150			
Household goods			
Total assets	\$ -	\$ -	\$ -
Credit card - Sharptop Bank			
Automobile loan - Sharptop Bank			
Truck loan - Sharptop Bank			
-----			
Mortgage - Integrity Mortgage			
Total liabilities	\$ -	\$ -	\$ -
Total equity	\$ -	\$ -	\$ -
Total liabilities and equity (equals total assets)	\$ -	\$ -	\$ -

I.c. - 1.d.

**Horizontal and vertical analysis:**

**Business (1/7/16 v. prior years):**

**Personal:**

I.c. - Accounts Payable Under-Statement	Date	Amount	Difference	
Shamrock Groceries per Financial Statement			//////	
Shamrock Groceries per Sales Summary				
Discount Tobacco per Financial Statement			//////	
Discount Tobacco per Sales Summary				
Marietta Beverage per Financial Statement			//////	
Marietta Beverage per Sales Summary				
Georgia-Tennessee per Financial Statement			//////	
Georgia-Tennessee per Sales Summary				
Jenkins Media Sales per Financial Statement			//////	
Jenkins Media Sales per Sales Summary				
				<b>Total Accounts Payable Under-Statement</b>
				\$ -

I.f. - Ending Inventory Over-Statement	Date	Amount	Difference	
Ending Inv. - Estimated			//////	
Ending Inv. - Schedule C				
Ending Inv. - Sharptop Bank				
Ending Inv. - Proof of Loss				
				<b>Ending Inventory Over-Statement</b>
				\$ -

2

If the tax return or insurance claim is misstated, did Greg Larsen commit some form of financial statement fraud? If so, what kind of fraud? Explain.

3

What accuracy certifications (e.g., penalties of perjury, false statements) on tax return and bank financial statement address materially inaccurate information?

4

Was Larsen Convenience solvent on January 7, 2016? Explain.

5

How does Greg Larsen's solvency impact Tonya Larsen?

## 1-5 REVIEW QUESTIONS—FRAUDULENT FINANCIAL STATEMENTS (LARSEN CONVENIENCE STORE)

1. In the case scenario, Greg Larsen lost a wrongful death lawsuit for killing his nephew and is required to pay \$500,000. The Georgia Supreme Court denied certiorari in May 2015 to hear an appeal to overturn the appellate court's affirmation of the lower court decision. When should the \$500,000 judgment be shown on Larsen's personal financial statements?
  - A. Subsequent to September 2013, when the state court judge handed down his decision.
  - B. After October 2014, when the appellate court affirmed the lower court.
  - C. Subsequent to May 2015, when the Georgia Supreme Court denied certiorari.
  - D. He should have listed the \$500,000 as a debt on all personal financial statements filed after September 2013.
2. Which types of financial statements do not have certifications about the accuracy of information listed on or submitted with the financial statements?
  - A. Income tax forms (e.g., IRS Forms 1040, 1065, and 1120)
  - B. Unaudited financial statements
  - C. Credit applications or financial statements given to financial institutions
  - D. Sworn statements in proof of loss submitted to insurance companies
3. In calculating common-sized ratios in a vertical and horizontal analysis, what is the base for calculating common-sized ratios for the balance sheet?
  - A. Total assets
  - B. Gross receipts
  - C. Total liabilities
  - D. Retained earnings
4. When compared to prior years' income statements (IRS Schedules C), the IRS Schedule C for the year ending 2015 shows net profit (and associated income taxes on the net profit) that far exceed prior years. In short, Greg Larsen had his best year yet. Based on that net profit and associated income taxes, you:
  - A. Do not have to further investigate his finances because only a fool would overstate his/her net income and pay more income taxes than required.
  - B. Should investigate Greg Larsen's finances further because his net income may be overstated (net income is easily overstated in a number

- of ways including overstating ending inventory, which understates cost of goods sold and overstates gross income and net income).
- C. Need to investigate further because Greg Larsen's primary suppliers made him sign promissory notes for unpaid balances.
  - D. Both B and C.
5. In calculating common-sized ratios in a vertical and horizontal analysis, what is the base for calculating common-sized ratios for the income statement?
- A. Gross receipts
  - B. Total assets
  - C. Total liabilities
  - D. Retained earnings
6. When analyzing financial statements (e.g., unaudited financial statements and income tax returns), which of the following is correct?
- A. Vertically analyze only the dollars.
  - B. Vertically and horizontally examine just the common-sized percentages looking for irregularities.
  - C. Vertically and horizontally analyze for anomalies in dollars and by percentages.
  - D. Scan for irregularities of all kinds.
7. In conducting a vertical and horizontal analysis, you can estimate the impact of irregularities (e.g., material differences in inventory balances) by:
- A. Materially changing a suspected anomaly like ending inventory on a financial statement (e.g., the Balance Sheet) and determining its impact on related financial statements (e.g., the Income Statement and Statement of Retained Earnings).
  - B. Estimating the impact of the suspected irregularity by calculating what the anomaly would have been using prior-period information, ratios, and benchmarks.
  - C. Calculating the impact of the suspicious abnormal number by rolling forward the number from prior accounting periods using verifiable information like sales reported to taxing authorities and purchases from vendors.
  - D. All of the above.

## Case 2: Check Fraud, Debit Card Fraud, Cash Larceny

### 2-1 ANDERSON INTERNAL MEDICINE: PREPARING A BANK RECONCILIATION AND SPREADING/ANALYZING TRANSACTIONS ON MONTHLY STATEMENTS FROM FINANCIAL INSTITUTIONS

#### Learning Objective

After completing and discussing this case, you should be able to:

1. Prepare a bank reconciliation between the bank records and company's accounting records to determine the existence of unaccounted transactions that have not been recorded in the:
  - Bank statements (but have been recorded in the company's point-of-sale [POS] computer program), deposits in transit (i.e., deposits recorded on the company's books but not presented to the bank), and outstanding checks (i.e., checks recorded on the company's books but not presented to the bank); and/or,
  - Company's accounting records (but may have been recorded in the bank statements), including unrecorded fees (e.g., insufficient funds charges, monthly account fees, and other debit memorandums)

- and unrecorded income (e.g., interest earned and other credit memorandums).
2. Enter into a spreadsheet debits and credits from financial institution monthly statements, identify the payee, maker, and endorsee on checks, read the transaction information on the back of checks, read the coding associated with debit (or ATM) card charges listed on the statements, read deposit slips, and then analyze the information.
  3. Vouch transactions on the monthly statements to accounting records (e.g., cash receipts and cash disbursement journals).
  4. Identify irregularities in payee, maker, and endorsee on checks, coding associated with debit (or ATM) card charges (e.g., when and where charged, timing) and the amount and type of deposits.

## HISTORY BEHIND THE FRAUD CASE:

This is a combination of two fraud cases involving dental / medical practitioners. In one case, an oral surgeon arrived at his office on Monday morning and found that (1) his patient records had been shredded and (2) the passwords to access his computer dental accounting program and payroll accounting program had been changed. He called a forensic computer expert, who unlocked the computer only to find that the data had been wiped clean. A subsequent criminal background check found that the office manager had been convicted twice of fraud for thefts as a bookkeeper for two other businesses. In each case, the courts sentenced her to probation and restitution. It took one year to physically reconstruct the records and document substantial larceny and skimming. Local law enforcement eventually located her in another state and arranged to have her extradited to stand trial.

In the other fraud case, drug diversion agents arrested the office manager for attempting to use drug prescription pads taken from one of her doctors to obtain controlled painkillers. The agents conducted a physical inventory of the controlled substance locker at the doctors' office and found material shortages of painkillers. A week later, checks started bouncing. The new office manager spent months documenting the extent of the frauds—additional payroll checks made payable to the former office manager, checks made to payable to various companies on behalf of the former office manager, obtaining and using an unauthorized ATM / Debit Card to obtain cash, groceries, and other goods at locations over 30 miles from the doctors' office, and shorting cash from daily deposits. She pleaded guilty to the drug diversion charges.

As is common with small businesses, internal controls, particularly segregation of duties, were weak at both offices. Both former office managers had full custody of all assets, controlled all of the accounting duties, and authorized almost all receipts and disbursements, except for signing checks. They regularly fanned out checks during busy periods to get the doctors' signatures. Both doctors seldom asked for or reviewed any documentation. In addition, the edit function of the accounting programs allowed the office managers to print checks made payable to whomever they wanted and then in the edit run to change the payee name and accounting classification. As a result, the payee names on the canceled checks and in the cash disbursement journals were different.

## Introduction

This case teaches you to prepare: (1) a bank reconciliation and (2) a spreadsheet with transactions listed on monthly statements. You will also examine the front and back of checks, the coding associated with debit card transactions, deposit tickets, as well as vouch the checks and debit card transactions to the cash disbursements journal and the deposits to the cash receipts journal.

Bank reconciliations account for the differences between the month-end balance shown on the financial institution statement and the corresponding total shown in the company's books of record (i.e., cash and related accounts). Completion of the bank reconciliation requires a number of adjustments for timing differences and items found on the statement or books of record (e.g., checks or deposits listed on the books but yet to be received by the bank, and interest earned at the financial institution that has yet to be recorded on the books). When all adjustments have been made, there might still be a yet-to-be-explained difference. When two or more bank reconciliations (e.g., prior and current reconciliation) result in large unaccounted-for differences, the differences might be larceny, lapping, another type of cash fraud, or material accounting error. Such large unaccounted-for differences require additional fraud examination work (e.g., interviewing those who handle cash, examination of individual receivable accounts, reviewing adjusting journal entries and account edits).

Monthly statements from financial institutions (e.g., bank, credit unions, savings and loan associations, and stock brokerage firms) offer a great deal of information, some of which reflects how the alleged fraudster or company spent its money (e.g., personal as opposed to business expenses). It can also detect

such illegal activities as unauthorized use of debit (or ATM) cards, check kiting, money laundering, and so on.

Balances in the general ledger and trial balance accounts are not always what they seem. Through the following analyses, you will detect receipts and disbursements that do not agree with the cash receipts and disbursement journal descriptions, unauthorized use of debit cards, and the possibility of larceny.

## Background

Greg and Tonya Larsen are being investigated by law enforcement and Southern Appalachian Insurance Company, the company that insured Anderson Internal Medicine (AIM).

Early on Friday, April 1, 2016, the branch manager of the Bank of Lawrenceville called Jennifer Anderson, MD, the CEO of Anderson Internal Medicine, to inform her that the medical practice's checking account was overdrawn by \$5,945.43. Late last night, the bank paid as a courtesy four charges that overdrawed the account (\$2,339.50, \$2,501.66, \$2,497.89, and \$280.00). In addition, it returned four checks totaling \$6,159.75 (\$1,534.73, \$1,783.83, \$1,341.19, and \$1,500.00). Dr. Anderson spoke with Tonya Larsen when she arrived. Tonya quickly performed a bank reconciliation and announced that the shortage was the result of several missing deposits because she had not deposited some receipts, which were in her credenza. Tonya promised to track down and deposit the missing deposits and personally cover the insufficient funds (NSF) charges. The two agreed to go over the books early on Monday morning. Tonya Larsen spent the remainder of the day in her office with her door closed and stayed behind after the last patient and all employees left for the day.

Dr. Anderson arrived early on Monday and went straight to Ms. Larsen's desk. She found a wastebasket overflowing with shredded paper. She immediately went to the file room, where she found a giant trash bag also overflowing with shredded paper and empty patient file folders tossed haphazardly all around the file room. Dr. Anderson attempted to access the point-of-sale, accounting, and payroll systems, but could not get into either computer system—none of the passwords worked. She called in a forensic computer examiner, who successfully unlocked the computer, but found that much of the data on the hard drive had been erased. Over several days, he was able to un-erase some of the data.

Late on Monday, a lawyer emailed Dr. Anderson and left a voice message on her personal cell phone that he represented Greg and Tonya Larsen and left

instructions that no one was allowed to talk with either of them. Any inquiries that she or anyone else had **MUST** go through him.

AIM's new office manager spent two weeks attempting to make sense out of the mess and file an employee dishonesty claim with Southern Appalachian Insurance Company. She found \$260.00 in cash, \$2,210.00 in patient and insurance company checks, and two business debit cards in Tonya Larsen's file cabinet. She also confirmed that the ending balance in the cash account for the point-of-sale system was \$901.47 in the general ledger. After getting a copy of an order form from the Bank of Lawrenceville, the new office manager discovered that Tonya Larsen obtained the two debit cards without the authorization of Dr. Anderson. She also obtained facsimiles of canceled and dishonored checks and deposit tickets for March 2016.

The special agents with the insurance company's Special Investigative Unit (SIU) found that:

Tonya previously worked for Absolute Orthopedics, Marietta, Georgia, as the office manager. She resigned at the end of March 2015 after the practice started bouncing checks. Absolute Orthopedics' CPA determined that over \$30,000.00 was missing. The practice filed an employee dishonesty claim with its insurance company (not Southern Appalachian Insurance Company), but could not definitively determine who caused the loss. The case was referred to the Cobb County Sheriff's Office. Their investigation is still open.

## Notes

1. AIM uses a point-of-sale (POS) computer program to record the cash receipts, debit card, credit card (e.g., AMEX, Discover, MasterCard, VISA), and insurance charges (e.g., Blue Cross Blue Shield, Medicare, Medicaid, Tricare) for patient services. *Only the daily cash receipts are deposited to the checking account at Sharptop Bank.* The deposits of subsequent settlement payments for credit card charges and insurance charges are deposited in a separate bank lock box that monitors charge transactions.
2. Dr. Anderson owns a Lexus RX 350, which she finances with Sharptop Bank.

## Summary Requirements

You have been retained by Alexander Z. Boone, Esq., the independent attorney hired by Southern Appalachian Insurance Company, to examine an employee dishonesty claim filed by Anderson Internal Medicine. You work under attorney-client privilege (i.e., your work is not made available to opposing counsel until authorized by Alexander Boone).

Before proceeding, read the documents in Chapter 7, section 7-2, “Anderson Internal Medicine.” As with the prior case, you will have to read and reread the documents to fully understand the evidence.

On your own, research how to prepare a bank reconciliation. It can easily be found online. Study sections 2-3 and 2-4, *How to Read Checks and Decode Debit Card Transactions* and *How to Spread and Analyze Check and Debit Card Transactions* before conducting the specific requirements of this case.

The results of your assignment will be used by the attorney. Your assignment (in general) is, as follows:

1. Determine the types of employee dishonestly frauds allegedly perpetrated by Tonya Larsen on Anderson Internal Medicine. Determine how the alleged fraud could have occurred at the medical practice (e.g., weak internal controls) and what Anderson Internal Medicine needs to do to deter future frauds.
2. Determine the amount of verifiable loss from alleged employee dishonesty at Anderson Internal Medicine.
3. Determine what additional steps need to be taken to examine the yet-to-be-determined difference detected by the bank reconciliation.
4. Prepare a report and associated schedules using the sample report and schedules.
5. Prepare audiovisuals (e.g., charts, summary schedules, and/or graphs of your choice) to simplify these complex accounting issues.

The initial steps (see exercises) are to be completed individually. You may confer online about examination strategy, but must do your own work. In particular, each student is to perform the various fraud examination steps and submit their Excel working papers (e.g., schedules) for grades. These steps will be performed as a series of graded exercises designed to walk you through the process.

The final exercise is a team project. Each team will submit a final examination report addressed to the attorney for Southern Appalachian Insurance Company, accompanying set of schedules, and audiovisuals for a grade. Each team is to select a team leader, assign various tasks to each member of the team, and email a list of each student’s assignment. Pick your team leader wisely, as he/she is responsible for quality control and should not take on any additional tasks. The team leader makes sure that deliverables are received in a timely manner (i.e., schedules, audiovisuals, and report in that order) and proofreads the report before submission.

## Look Closer at Repeating Debit Card Transactions at Big Box Stores and Chain Grocery Stores

If you examine checking accounts of persons suspected of money laundering and find small, repeating debit card transactions (say \$25 to \$75) at big-box stores or chain grocery stores, you might be witnessing the 5 percent fee charged by customer service for loading prepaid cards valued from \$500 to \$1,500. Similarly, large dollar transactions at grocery stores (say \$1,575 or \$2,337) may not be for groceries. Yes, persons might spend \$400 or more for the monthly groceries, but not \$2,337. Something else is transpiring. You might be witnessing the conversion of cash to stored value cards for shipment outside the United States. What is a 5 percent fee to a fraudster if they can convert it to an easily transportable medium that does not come under the U.S. Treasury Cash Transaction Regulations (CTR). Explore those transactions further. Call or visit the big-box store or chain grocery store and get their policies concerning converting cash to stored value cards. Also, inquire about the store's retention of electronic records of these transactions, which can be obtained by subpoena. Some stores also have video cameras that surveil customer service.

## 2-2 HOW TO PERFORM A BANK RECONCILIATION

### Learning Objective

After reading this synopsis, you should be able to:

1. Better understand the purpose of a bank reconciliation.
2. Be able to complete a bank reconciliation.

### Introduction

Bank reconciliations are an accounting tool used to schedule differences between the company's books and records and the bank's books and records on a specific day (e.g., last day of the month) for an individual account held by a financial institution. Where the company owns more than one account at a financial institution, bank reconciliations must be performed for each account. To a large degree, the differences between the two sets of records involve timing (e.g., items in transit between the company and financial institution) and unrecorded transactions (e.g., interest earned in a bank account that has yet to be recorded on the company's books and records).

When a bank reconciliation detects an unknown difference, that difference is a red flag, which must be investigated further. An unexplained difference might be a timing difference, recording a transaction in the wrong ledger, or fraud. Example #1, a bank reconciliation, detects a \$100,000 undetermined shortage where deposits involve only checks and clerks regularly scan and electronically deposit checks. Further investigation reveals that an envelope of checks is found in a clerk's desk drawer. It initially appears that the clerk failed to timely deposit customer checks. However, when the checks are scanned and electronically deposited, customers scream that their checks were processed twice. You conduct a second bank reconciliation of another ending date that results in a similar \$100,000 undetermined shortage. Interview the clerk involved and those working around the clerk as you might have uncovered some form of lapping. Example #2, a bank reconciliation, detects a \$7,000 undetermined shortage where deposits involve both cash and checks and undeposited cash and checks are found in a drawer. Further review of deposit slips reveals little or no cash being deposited or round dollar amounts of cash being deposited on a routine basis. Interview the clerk and those working around the clerk. You might have uncovered some form of cash larceny.

In both examples, ask the following: Who handles deposits? How are the deposits handled? What are the internal controls, if any?

### Steps in Performing a Bank Reconciliation

Performing a bank reconciliation is a multistep process. There are several standard formats. Often, the format is located on the back of the monthly bank statement.

<b>Ending Balance on Bank Statement Dated</b>	<b>Step 1</b>	<b>\$</b>	<b>-</b>
<u>Adjustments to Bank Statement</u>			
Add: Deposits in Transit (list below)	<b>Step 2</b>		
	<b>Step 2</b>		-
			-
Subtract: Outstanding Checks (list below)	<b>Step 2</b>		
	<b>Step 2</b>		-
	<b>Step 2</b>		-
<b>Adjusted Balance on Bank Statement</b>	<b>TOTAL</b>	<b>\$</b>	<b>-</b>

<b>Balance per Books and Records as of</b>	<b>Step 1</b>	<b>\$</b>	<b>-</b>
<u>Adjustments to Books and Records</u>			
Add: Transactions on Bank Statement Not in Books and Records			
Interest Earned from Bank	<b>Step 3</b>		-
Other	<b>Step 3</b>		-
Other	<b>Step 3</b>		-
Subtract: Transaction on Bank Statement Not in Books and Records			
Bank Charges	<b>Step 3</b>		-
NSF Checks	<b>Step 3</b>		-
NSF Fees	<b>Step 3</b>		-
Other	<b>Step 3</b>		-
Other	<b>Step 3</b>		-
Unexplained Difference (If Any)—Needed to Balance	<b>Step 4</b>		
<b>Adjusted Balance on Books and Records</b>		<b>\$</b>	<b>-</b>

**STEP 1:** On the section of the bank reconciliation involving the bank, input the ending balance from the financial institution statement. Similarly, on the section for the books and records (accounting records), insert the ending balance shown in the books of record.

**STEP 2:** Review the bank statement against the accounting records and determine the deposits in transit and outstanding checks. To identify the deposits in transit (deposits in the accounting records but not listed on the bank statement), vouch the transactions shown in the cash receipts journal against those listed in the bank statement. List the deposits that have yet to clear the financial institution on the reconciliation. To determine the outstanding checks (checks written and reflected in the accounting records but have not cleared the bank), vouch the checks shown in the cash disbursements journal against those listed in the bank statement. List the checks that have not been cashed. If there are too many for the reconciliation, schedule the outstanding checks separately.

Pay special attention to checks that overdraw the account. Occasionally, financial institutions will pay checks that overdraw an account as a courtesy

(e.g., pay the monthly mortgage check or the annual real estate taxes). Overdrawn checks clear the bank, but usually result in an insufficient funds (NSF) charge.

Pay close attention to ATM and debit card transactions that have cleared the financial institution but have not been listed in the accounting records. You will have to list them separately under Balance per Books and Records (see **Step 4**) and the company will need to make an adjustment to its accounting records. In the age of ATM and debit cards in the hands of many employees (e.g., company purchasing cards), there may be unrecorded transactions.

**STEP 3:** On the bank statement, identify transactions that may be on the bank statement but are yet to be entered into the accounting records (e.g., credits not recorded, like interest earned on deposit balances, and debits not recorded, like bank charges for account servicing fees, periodic loan interest payments, and NSF fees). Those often take place on the last day of the month and have not been entered into the accounting records. You also may have debits not recorded like ATM and debit card transactions. On the section of the bank reconciliation involving the books and records, input those transactions and alert the company of the need to make an adjustment to its accounting records.

**STEP 4:** After making the above adjustments, the adjusted balance on the bank statement and adjusted balance on the Books and Records should agree. If the unexplained difference is large you might have a timing difference, recording a transaction in the wrong ledger, or fraud. You will have to investigate further.

## 2-3 HOW TO READ CHECKS AND DECODE DEBIT CARD TRANSACTIONS

### Learning Objective

After reading this synopsis, you should be able to:

1. Better understand the information on the front and back of canceled checks.
2. Be able to understand debit card transactions found on the bank statement.

### Introduction

Essential to spreading canceled checks is the ability to read and decipher the information located on the front and back of checks.

Initially, all the fraud examiner may only have is a quick printout of the front of the check. This will suffice to get the analysis started until the front and back of the cancel checks are obtained. Like the front, the back of a canceled check contains a wealth of information.

### How to Read a Canceled Check

Each canceled check contains a number of specific identifiers that describe the check as shown in the following example. The *payee* is the person or company to whom the check is payable. The payee name must agree with the first

Check Routing Symbol
ABA Transit Symbol

<p><b>ANDERSON INTERNAL MEDICINE, LLC</b> Lawrenceville, GA</p> <p>PAY TO THE ORDER OF <u>Andrew &amp; Duvall, CPAs, LLC</u></p> <p><b>BANK OF LAWRENCEVILLE</b> Lawrenceville, GA 33042</p> <p>FOR _____</p>	<p>DATE <u>2/21/2014</u></p> <p style="text-align: right;">\$1,532.98</p> <p><u>Fifteen Hundred Thirty-two and 98/100</u> Dollars</p> <p style="text-align: right;">Maker <u>Jennifer L. Anderson</u></p>
<p><b>:062110777</b>    <b>70018188</b>    <b>1033</b>    <b>:0000153298</b></p>	

Check Routing Symbol	Bank Code	Account Number	Check Number	Check Amount
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">For Deposit Only Andrew &amp; Duvall's CPAs, LLC</p>	<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Do Not Write Below This Line</p>	<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Feb 02221 - 3678250</p>	<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Bank of Lawrenceville</p>	
Endorsement		Processing Date/Proof Number	Bank Processed Through	

endorsee name on the back of the check. The *check routing symbol* and *American Bankers Association (ABA) bank code* (or *ABA transit symbol*) appears at the upper-right-hand corner and lower-left-hand corner of the check. The *maker* is the person who signs/makes the check. The *account number*, *check number*, and *check amount* appear at the bottom of the check under the signature. The check amount at the right-hand bottom of the check is entered by the bank proofreaders after matching and agreeing with the customer's handwritten and hand-numbered amounts.

### Signatures and Endorsements

The fraud examiner is **not** a handwriting expert. However, the fraud examiner can flag maker and endorsee signatures that obviously appear to have been written by another person. These flagged maker and endorsee signatures should be examined and opined by a certified handwriting expert.

Endorsements are signatures on the back of a check. It is suggested that you review a business law textbook on endorsements. There are restricted and unrestricted endorsements that affect the negotiability of the checks. One well-known restricted endorsement is "For Deposit Only" followed by the payee's endorsement. If the payee does not restrict the endorsement, anyone else can sign a second, third, and so on time. As fraud examiners, list all secondary endorsements. Fraudsters use secondary endorsements to convert checks. Although the secondary endorsements may be perfectly legal, you need to track those endorsements for subsequent analysis.

64-777/611		<b>2337</b>	
<b>ANDERSON INTERNAL MEDICINE, LLC</b>	DATE	3/3/2014	
Lawrenceville, GA			
PAY TO THE ORDER OF			
Drummond Uniforms		\$1,750.00	
Fifteen Hundred and -----		no/100 Dollars	
<b>BANK OF LAWRENCEVILLE</b>			
Lawrenceville, GA 33042			
FOR		Jennifer L. Anderson ←	
<b>:062110777</b>	<b>70018188</b>	<b>2337</b>	<b>:00001750000</b>

Review Against Known Signature

<p><u>Note: Second Endorsement</u></p> <p>↓</p> <p>Drummond Uniforms <i>Personal Purchase</i></p> <p><small>Do Not Write Below This Line</small></p>	<p><u>Note: Second Bank Involved</u></p> <p>↓</p> <p>Mar 030325 - 59924377</p> <p>Sharpstop Bank Bank of Lawrenceville</p>
--	--

## How to Decode a Debit Card Transaction

Each financial institution has its own method of listing debit card transactions. The following are example of coding found on bank statements.

3/28 \$398.56 POS DEB 16:53 3/26/16 Grocery-City 21108888 Marietta, GA

This represents a point of service debit at a Grocery City store located in Marietta, Georgia, at 4:53 p.m. on Saturday, March 26, 2016. The transaction cleared the bank on Monday, March 28, 2016.

3/28 Check Crd Purchase 03/26 Chevron 3699 Ellijay GA 5678 473722xxxx  
xx1269 173064695279267 ?McC=3793

The above point of service debit took place at a Chevron gas station located in Ellijay, Georgia, on Saturday, March 26, 2016, using a MasterCard debit card ending in 3793. The transaction cleared the bank on Monday, March 28, 2016.

03/28 Mach ID 0377D 17622 3/27 Hwy 41 Kennesaw GA 4730 0007207

This debit card coding shows a debit withdrawal using a debit card at a debit machine located in Kennesaw, Georgia, on Sunday, March 27, 2016. The transaction cleared the bank on Monday, March 28, 2016.

NOTE: The actual transaction date and bank statement clearing date may not be the same. The normal bank day, as set by the Federal Reserve System, is from 4:01 p.m. until 4:00 p.m. the following day. Accordingly, a transaction taking place after 6:21 p.m. (e.g., on Wednesday) will be shown as a cleared transaction on the bank statement on the following banking day (e.g., Thursday). Weekends are even longer (i.e., from 4:01 p.m. on Friday through 4:00 p.m. on Monday). When viewing your online bank statement, the debit card transactions are shown as “Pending” until actually cleared.

## 2-4 HOW TO SPREAD AND ANALYZE CHECK AND DEBIT CARD TRANSACTIONS

### Learning Objective

After reading this synopsis, you should be able to:

1. Input data from bank, credit card, or investment accounts.
2. Add categories for subsequent analysis.
3. Sort data based on categories, names, dates, and more.

## Introduction

One of the most frequent forensic accounting procedures is analyzing canceled checks, debit card transactions, and deposits to a checking or savings account. The procedure can similarly be applied to analyzing debits and credits to credit card and investment account statements.

When you must input and analyze numerous different accounts or numerous months of the same account, request not only hard copies of the monthly statements, but request the information in .csv (comma separated value) file format, which can be imported into popular programs like Excel, Access, and IDEA. Importing vast data using .csv will save your hands and hours of boring data input.

## Steps in Spreading and Analyzing Check and Debit Card Transactions

Performing an analysis of check and debit card transactions is a multistep process.

### *STEP 1: Input the Data*

Schedule the data. *There are a number of formats.* Based on what you want to analyze, determine a format before scheduling the data. This way, you can set column formats (e.g., date format for the dates column, dollar format with decimals for dollars, text format for descriptions, and so on). Keep the check, debit, and deposit columns separate for quick identification.

Depending on the purpose of the analysis (e.g., analyzing all the sources and uses of all transactions, identifying kited funds, or money laundering), you may want to input all transactions or set a threshold (e.g., record only transactions over a limit that you set, say over \$500 or \$2,500).

On page 43 is an example of a simple checking account analysis. Be sure to clearly label your spreadsheet/analysis so a user knows what you have done.

### *STEP 2: Add a Category Column*

To be able to sort, you may want to add a category column (or some other means of logically sorting the spreadsheet). You are limited only by your lack of imagination. Each time you sort, save the new spreadsheet as a separate tab at the bottom of the spreadsheet. That way you will have numerous, readily available sorts. Each sort is a different analysis.

To get quick totals, use the PivotTable function under the Data tab. See page 44 for an example of adding a category column.

Check Number	Check Date	Posted Date	Check/Debit Amount	Deposit Date	Deposit Amount	Bank Balance	Remitter of Deposited Check	Payee Per Check/Debit	Check Endorsement	Check Deposited at	Cashed at	Comments
FROM JANUARY 1, 2014 TO JANUARY 31, 2014												
ALL TRANSACTIONS—LISTED IN DESCENDING POSTED DATE ORDER												
ANDERSON INTERNAL MEDICINE												
Norcross, Georgia												
											Schedule I	
						3,500.00	Beginning balance agrees with bank statement					
		01/06/14		01/06/14	3,500.00	3,500.00	Tonya Larsen		Tonya Larsen	BoA		
		01/06/14	300.00			3,200.00		Counter Debit— Official Check Sale Transfer to Chk 3730				
		01/06/14	1,800.00			1,400.00		Woodstock				
		01/06/14	35.00			1,365.00		Check order				
820	01/09/14	01/10/14	180.00			1,185.00		John Johnson	J Stan Johnson		Regions	For Basement
		01/19/14	300.00			885.00		Withdrawal				
		01/21/14	30.00			855.00		MG Sports Grille				
821	01/23/14	01/23/14	35.00			820.00		Publix				
		01/24/14	69.21			750.79		BP				
		01/25/14	21.00			729.79		Zaxby's				
		01/27/14		01/31/14	2,000.00	2,729.79		Anne Taylor				
		01/29/14	201.12			2,528.67		Dos Fajita Mexican				
		01/31/14	32.05			2,496.62		QT				
			3,003.38			5,500.00	Ending balance agrees with bank statement					

Check Number	Check Date	Posted Date	Check/Debit Amount	Deposit Date	Deposit Amount	Bank Balance	Remitter of Deposited Check	Payee Per Check/Debit	Category	Check Endorsement	Check Deposited at	Cashed at	Comments
<b>DETAILS OF TRANSACTIONS IN BANK OF LAWRENCEVILLE A/C 123456</b> <b>FROM JANUARY 1, 2014 TO JANUARY 31, 2014</b> <b>ALL TRANSACTIONS —LISTED IN DESCENDING POSTED DATE ORDER</b> <b>ANDERSON INTERNAL MEDICINE</b> Norcross, Georgia													
										<i>IF NEEDED</i>			
										ADD			
										CATEGORIES			
										FOR SORTING		Schedule I	
		01/06/14		01/06/14	3,500.00	3,500.00	Tonya Larsen			Tonya Larsen	BoA		
		01/06/14	300.00			3,200.00		Counter Debit— Official Check Sale	Cash				
		01/06/14	1,800.00			1,400.00		Transfer to Chk 3730 Woodstock	Cash				
		01/06/14	35.00			1,365.00		Check order	Miscellaneous				
820	01/09/14	01/10/14	180.00			1,185.00		John Johnson	Basement	J Stan Johnson		Regions	For Basement
		01/19/14	300.00			885.00		Withdrawal	Cash				
		01/21/14	30.00			855.00		MG Sports Grille	Restaurant				
821	01/23/14	01/23/14	35.00			820.00		Publix	Grocery				
		01/24/14	69.21			750.79		BP	Automobile				
		01/25/14	21.00			729.79		Zaxby's	Restaurant				
		01/27/14		01/31/14	2,000.00	2,729.79		Anne Taylor	Clothes				
		01/29/14	201.12			2,528.67		Dos Fajita Mexican	Restaurant				
		01/31/14	32.05			2,496.62		QT	Automobile				
			<b>3,003.38</b>				<b>5,500.00</b>						

### *STEP 3: Add a Numbers Column to Re-sort to Original Order and Then Sort*

You will almost always have to go back to the original input. So, add another column, add the numbers in chronological order (e.g., 1, 2, 3, and so on), and then perform a custom sort (e.g., on Category, Payee Name, or Remitter). Later, you might want to hide the Number column to avoid confusion by a subsequent readers (you can always unhide that column at a later date). Note that the ending bank balance has not changed—the ending bank balance is your control total. See page 46 for an example of adding a numbers column.

## **2-5 EXERCISES—CHECK FRAUD, DEBIT CARD FRAUD, AND CASH LARCENY (ANDERSON INTERNAL MEDICINE)**

### **Exercise 1: Individual Assignment**

1. Perform a bank reconciliation as of April 1, 2016, using the bank statement for March 2016, cash receipts journal, and cash disbursements journal.
2. Compare the front and back of checks and the deposit slips to the cash receipts and cash disbursement journals and identify:
  - a. Checks where payees do not match
  - b. Irregular disbursements
  - c. Irregular signatures
  - d. Irregular endorsements
3. Review the bank statements for disbursements not involving checks and trace to the cash disbursements journal.
  - a. What are these transactions?
  - b. Where and when (date and day of the week) were these noncheck transactions actually made (not when recorded)?
  - c. How far is the distance between the location of these noncheck transactions and Anderson Internal Medicine?
  - d. Where does Tonya Larsen live?

FROM JANUARY 1, 2014 TO JANUARY 31, 2014														
ALL TRANSACTIONS—SORTED BY CATEGORY ← CHANGE TITLE TO REFLECT SORT														
ANDERSON INTERNAL MEDICINE														
Norcross, Georgia														
														Schedule I
ADD NUMBERS BEFORE SORTING SO YOU CAN GET BACK TO THE ORIGINAL ORDER														
(INCLUDE NUMBERS IN THE SORT AND HIDE WHEN COMPLETED)														
No.	Check Number	Check Date	Posted Date	Check/Debit Amount	Deposit Date	Deposit Amount	Bank Balance	Remitter of Deposited Check	Payee Per Check/Debit	Category	Check Endorsement	Check Deposited at	Cashed at	Comments
9			01/24/14	69.21			(69.21)		BP	Automobile				
			01/31/14	32.05			(101.26)		QT	Automobile				
5	820	01/09/14	01/10/14	180.00			(281.26)		John Johnson	Basement	J Stan Johnson		Regions	For Basement
2			01/06/14	300.00			(581.26)		Official Check	Cash				
3			01/06/14	1,800.00			(2,381.26)		3730	Cash				
6			01/19/14	300.00			(2,681.26)		Withdrawal	Cash				
11			01/27/14		01/31/14	2,000.00	(681.26)		Anne Taylor	Clothes				
8	821	01/23/14	01/23/14	35.00			(716.26)		Publix	Grocery				
4			01/06/14	35.00			(751.26)		Check order	Miscellaneous				
7			01/21/14	30.00			(781.26)		Grille	Restaurant				
10			01/25/14	21.00			(802.26)		Zaxby's	Restaurant				
12			01/29/14	201.12			(1,003.38)		Dos Fajita	Restaurant				
1			01/06/14		01/06/14	3,500.00	2,496.62	Tonya Larsen	Mexican	Restaurant	Tonya Larsen	BoA		
				<b>3,003.38</b>		<b>5,500.00</b>								

- e. What part did Tonya Larsen play in making these noncheck disbursements?
  - f. Did Tonya Larsen benefit from these noncheck transactions?
4. Review the deposits.
    - a. How often and when were the deposits made?
    - b. Is anything missing from the deposits?
    - c. How do deposits relate to the bank reconciliation?

## Exercise 2: Individual Assignment

1. List the items (e.g., check numbers, transaction dates, and individual amounts) and totals of each category of fraud.
2. What are the alleged frauds (e.g., accounts receivable skimming, disbursement fraud, embezzlement, larceny, payroll fraud, skimming, other)? Discuss each one.
3. How were each of the frauds concealed?
4. What circumstances allowed the frauds to happen (e.g., internal control failures, lack of background checks, missing policies and procedures)? Discuss and be specific.
5. What would you recommend (e.g., controls, monitoring) to deter future frauds from happening? Discuss and be specific.
6. Is there anyone you would like to interview? If so, what do you want to learn from them?
7. Are there any additional steps you would like to take with respect to the fraud examination?

## Exercise 3: Group Assignment—Writing Report and Associated Schedules

1. Prepare a final examination report to the attorney for Southern Appalachian Insurance and an accompanying set of schedules
2. Prepare associated audio-visuals (e.g., one-page chart of talking points, summary schedule of the categories of the loss, simplified schedule of the details of each category, bar/pie/or line chart). Note: Do not put the schedules and audiovisuals in a PowerPoint or similar presentation. The schedules and audiovisuals are addendums to the report and **MUST** be referenced in the report.

## 2-6 EXERCISE TEMPLATES

### Anderson Internal Medicine—Exercise #1

Check Fraud, Debit Card Fraud, Cash Larceny Case, Exercise #1 Template  
Bank Reconciliation - Anderson Internal Medicine (4-1-16) (REVISED)

1. Balance per bank		Balance per books	
Add: Deposits in transit		Add: Credits not recorded	
Less: Outstanding checks		Subtract: Debits not recorded	
	_____	Less: unknown difference (if any)	_____
Reconciled balance	\$ -	Reconciled balance	\$ -
Comments (if any):			

Compare the front and back of checks and the deposit slips to the cash receipts and cash disbursement journals and identify:

- 2.a. Check numbers of the checks where payees do not match on check and cash disbursements journal CDJ
- 2.b. Check numbers of the checks with irregular disbursements—not listed as vendors in CDJ
- 2.c. Check numbers of the checks with irregular maker signatures—different from known signature
- 2.d. Check numbers of the checks with irregular endorsements

Review the bank statements for disbursements not involving checks and trace to the cash disbursements journal

- 3.a. What are these transactions (e.g., cash withdrawals, ewithdrawals, debit card withdrawals)?
- 3.b. Where and when (date and day of the week) were these noncheck transactions actually made (may not be the same as the date when recorded)?
- 3.c. What is the distance between the location of these noncheck transactions and Anderson Internal Medicine?

- 3.d. Where does Tonya Larsen live?
- 3.e. What part did Tonya Larsen play in making these noncheck disbursements?
- 3.f. Did Tonya Larsen benefit from these noncheck transactions? If yes, how did she benefit?

Review the deposit slips

- 4.a. How often and when were the deposits made?
- 4.b. Is anything missing from the deposits?
- 4.c. How do the deposits relate to the bank reconciliation?

### Anderson Internal Medicine—Exercise #2

Check Fraud, Debit Card Fraud, Cash Larceny Case, Exercise #2 Template

- 1. List the items (e.g., check numbers, transaction dates, and individual amounts) and totals of each category of fraud.

Check Number	Amount
Total Checks	\$ -
	Trans. Date
Total Debit Card Transactions	\$ -
Cash - unknown difference	
Total	\$ -

- 2. What are the alleged frauds (e.g., accounts receivable skimming, disbursement fraud, embezzlement, larceny, payroll fraud, skimming, other)? Discuss each one.
- 3. How were each of the frauds concealed?
- 4. What circumstances allowed the frauds to happen (e.g., internal control failures, lack of background checks, missing policies and procedures)? Discuss and be specific.
- 5. What would you recommend (e.g., controls, monitoring) to deter future frauds from happening? Discuss and be specific.
- 6. Is there anyone you would like to interview? If so, what do you want to learn from them?
- 7. Are there any additional steps you would like to take with respect to the fraud examination?

## 2-7 REVIEW QUESTIONS—CHECK FRAUD, DEBIT CARD FRAUD, AND CASH LARCENY (ANDERSON INTERNAL MEDICINE)

1. In the case scenario, it states that when two or more bank reconciliations (e.g., prior and current reconciliation) result in large unaccounted for differences, the differences might be what?
  - A. Cash larceny.
  - B. Material accounting errors.
  - C. Some other type of cash-related fraud.
  - D. Any of the above.
2. If a lawyer for the suspect in a fraud examination states that he/she represents the suspect and no one will be allowed to talk with their client, can you interview the suspect or his/her spouse?
  - A. Yes, you can interview either the suspect or his/her spouse.
  - B. No, you cannot interview either the suspect or his/her spouse.
  - C. You cannot interview the suspect, but can interview his/her spouse.
  - D. You can subpoena the suspect and compel them to answer your questions under oath.
3. Who is a payee on a check?
  - A. The person(s) who signs the front of the check.
  - B. The person(s) who signs the back of the check.
  - C. The person(s) named on the front of the check who is to receive the funds.
  - D. The financial institution that pays the funds specified by the check.
4. In the case, the new office manager found cash, patient and insurance company checks, and two business debit cards in Tonya Larsen's file cabinet. When preparing the bank reconciliation, where do you put the cash and checks—under balance per bank or balance per books?
  - A. Balance per bank because the items represent deposits in transit.
  - B. Balance per books because the items have not been recorded and an adjustment needs to be made to the books of record.
  - C. Neither A nor B.
  - D. Both A and B.
5. 3/28 \$398.56 POS DEB 16:53 3/26/16 Grocery-City 21108888 Marietta, GA on the bank statement means?
  - A. \$398.56 was paid by a point-of-sale use of a debit card.
  - B. Grocery City in Marietta, Georgia, was the location of the transaction.

- C. The transaction took place on March 26, 2016 (a Saturday), but the financial institution posted the transaction on March 28, 2016 (a Monday).
  - D. All of the above.
6. When scheduling checking account transactions for subsequent analysis you perform all of the following except?
- A. Input the dates on the check.
  - B. Schedule the dollar amounts, including decimals.
  - C. Limit the checks input into the schedule to only those over a certain dollar amount (say, \$500.00).
  - D. List the payee name as found on each individual check.
7. When you analyze the checking account disbursement paid by a financial institution, what should you do?
- A. Compare the names and dollar amounts on the front and back of the checks to the cash disbursements journal.
  - B. Review the bank statements for disbursements not involving checks (e.g., debit card or ATM transactions and cash withdrawals made at the teller window or ATM) and trace those transactions to the cash disbursements journal.
  - C. For debit card transactions where you do not recognize the payee (e.g., person or business name), you look the payee up on the Internet to determine the person (e.g., accountant, financial adviser, or lawyer) and/or type of business.
  - D. All of the above.

## Case 3: Fraudulent Edits/Adjusting Journal Entries

### 3-1 ANDERSON INTERNAL MEDICINE (EDITS/AJEs): VOUCHING FROM A SCHEDULE TO SOURCE DOCUMENTS

#### Learning Objective

After completing and discussing this case, you should be able to examine edits/adjusting journal entries to accounting system records to determine whether any transactions have been altered:

- a. Download the accounting record to be examined (e.g., extract edits to cash receipts) for the period you want to examine.
- b. Obtain copies of the associated supporting documents (e.g., deposit ticket and bank statement) for the same time period.
- c. Schedule the date and amount of the original transaction (e.g., cash before edit) and the date and amount of the edited transactions (e.g., cash after the edit) and differences between the original and edited transactions.
- d. Vouch transactions from the accounting record (e.g., data extraction) to the supporting documents (e.g., verify the amount and date of cash actually deposited).

- e. Determine whether the edit was justified.
- f. If the amounts were not justified, identify the total number and dollars of irregularities.

This case explores the process of vouching from a schedule (e.g., data extraction of edits/adjusting journal entries) to source documents (e.g., deposit slips and bank statements).

## HISTORY BEHIND THE FRAUD CASE

The owner of a chain of supply stores was enjoying his morning coffee while reviewing his monthly financial statements for each store. He noticed a month-to-month decline in the sales of one location. Later that day, the owner found the bank statements for the store and examined the last several months of deposits. Like gross receipts, there was a similar month-to-month decline in cash deposits. Overall, sales were down over 25 percent compared to the prior year. He tasked a programmer in the Information Technology (IT) department to extract daily sales, deposits, and edits to both accounts for the last 90 days. The IT programmer came back, concluding that receipts for many deposits appeared to have been decreased several hundred dollars per day.

In the subsequent fraud examination, photocopies of all deposit tickets for the last 90 days were requested from the bank and the IT department extracted daily sales records from the point-of-sale (POS) system for the same period. Tests were undertaken to access the validity of the initial data extraction of daily sales, deposits, and edits: (1) the actual daily sales per the point-of-sale records were vouched to the pre-edit cash receipts in the IT extraction; and (2) the actual daily deposits as shown on the deposit tickets were vouched to the cash receipts on the initial data extraction (i.e., the daily post-edit cash receipts). Then, the amount of the alleged larceny was calculated by subtracting the daily pre- and post-edit totals.

Also common with small businesses, the internal controls over edits/adjusting journal entries were nonexistent. The owner, IT personnel, and store managers at each store could make edits/adjusting journal entries to accounting records, including sales. Of the three, the store managers could make edits without any monitoring.

## Introduction

Inexpensive, readily available, accounting packages have edit functions that can be fraudulently used if a company does not have adequate internal controls (i.e., separation of authorization, accounting, and asset custodian duties). After

printing checks to the payee listed on the check, a fraudster can use the edit function to change the name of the payee and account. Vouching from the cash disbursements journal and the canceled check and/or bank statement will document the difference. Similarly, a fraudster can use the edit function to reduce the amount of cash receipts and deposit a lower amount (i.e., steal cash).

This case teaches you how to prepare a spreadsheet detailing original and edited transactions listed on an accounting record (e.g., data extraction from the adjustments and/or cash receipts journal). You will learn how to document the edits by vouching to the amount and date of the edited transactions to the supporting documents (e.g., deposit ticket and bank statement).

## Background

On April 2, 2016 (the day following the bank's notification of overdrawn checks), Dr. Anderson reviewed the March 2016 details from her practice over breakfast and noted that deposited cash deposits did not match the cash receipts initially recorded in the Medatrix UltraScan Point of Sale (POS) system. She asked Teresa Padgett, an information technology specialist, to look up the original and edited cash receipt transactions recorded in Medatrix UltraScan for March 2016. Teresa found that Tonya Larsen, who has been the office manager since September 2015, had made a number of even-dollar edits to the amount of cash receipts (e.g., \$2,197.95 reduced to \$1,697.95, a \$500.00 reduction) and that the smaller edited amounts of cash were deposited days after actual receipt. Teresa Padgett told Dr. Anderson that she thought Tonya Larsen was stealing—altering deposits with different round dollar amounts (more than \$1,000 a week). Time stamps on Tonya Larsen's edits show when she changed the information. Every employee has a distinct ID and password that employees are not to share. Tonya Larsen's ID is "203–Tonya." According to Teresa Padgett, there appears to be a delay of several days between daily sales receipts and actual deposits and there appears to be a pattern of decreased deposits.

Teresa Padgett downloaded the edits to the cash receipts journal for the period September 1, 2015, through March 31, 2016, for further examination.

## Summary Requirements

Alexander Z. Boone, Esq., the independent attorney hired by Southern Appalachian Insurance Company, added a review of the edits to the cash receipts journal to your examination of Anderson Internal Medicine's employee dishonesty claim.

Before proceeding, read the documents in Chapter 7, section 7-3, "Fraudulent Edits/Adjusting Journal Entries." As you work the case, you will have to read and reread the documents to fully understand the evidence.

As with the information analyzed and summarized from the bank statements, canceled checks, deposit slips, and so on, the results of this additional assignment will be used by the attorney. Your assignment (in general) is as follows:

1. Schedule the provided data extraction [e.g., date and amount of the original transaction (e.g., cash before adjustment) and the date and amount of the edited transactions (e.g., cash after the adjustment)] and calculate the differences, if any, between the original and edited transactions.
2. Vouch the deposit transactions listed on the schedule to the deposit slips and bank statement to verify the amount and date of cash actually deposited.
3. Identify the individual and total number and dollars of irregularities.

The initial steps (see exercise) are to be completed individually. You may confer online on strategy, but do your own work. In particular, all students are to perform the various fraud examination steps and submit their Excel working papers (e.g., schedules) for grades.

## 3-2 HOW TO VOUCH/TRACE BETWEEN A SOURCE DOCUMENT AND AN ACCOUNTING LEDGER, JOURNAL, OR ACTIVITY LOG

### Learning Objective

After reading this synopsis, you should be able to:

1. Better understand how to verify data extracted from a ledger, journal (e.g., cash receipts journal), or activity log (e.g., edit or audit trail log).
2. Vouch transactions in the ledger, journal, or activity log to the source document or, vice versa, trace the source document to the associated ledger, journal, or activity log.

### Introduction

Essential to detecting and documenting fraudulent accounting transactions is vouching/tracing between the applicable accounting ledger, journal, or activity (edit or audit trail) log and the source document.

If you want to determine whether a transaction is valid, you use a process called vouching. *Vouching* follows an item found in the accounting ledger, journal, or activity (edit or audit trail) log back to the source document. *Tracing* is the reverse process, following a source document back to the originating document (ledger, journal, or activity log). In fraud examination, you will use both vouching and tracing.

In Anderson Internal Medicine (Case 2), you traced checks listed in the cash disbursements journal to the canceled checks and bank statements and found that the payee names on several checks did not match the payee names in the cash disbursements journal. You also traced debit card transactions listed on the bank statements back to the cash disbursements journal and found that those transactions were not listed in the accounting records.

Similarly, you can trace numbers and dates on deposit tickets and bank statements to the edit log, which tracks changes to cash deposits. You could also trace to the cash receipts journal; however, that would only show the post-edit numbers—it would miss those deposits that were allegedly stolen. Also, you can trace transactions listed on the edit log (not the cash receipts journal) to the deposit tickets and bank statements. Pay close attention to deposit dates. Good internal controls require deposits to be made daily (as in the same day received) and intact (without withholding any of the deposit). If a company receives cash and checks, both should be deposited on the dates received.

### 3-3 EXERCISE—FRAUDULENT EDITS (OR AJEs) (ANDERSON INTERNAL MEDICINE)

#### Exercise 1: Individual Assignment

1. Use the template titled “203-Tonya Edits Template,” which is available on the companion website.
2. Data extractions are often difficult to read. So, convert the data extraction to a more understandable Excel schedule. Start with the data contained in the extraction labeled “Data Extraction 203 Tonya Edits (Jan Feb Mar 2016).” Schedule the specific information [e.g., date and amount of the original transaction (e.g., cash before adjustment) and the date and amount of the edited transactions (e.g., cash after the adjustment)] into the template. Calculate the differences, if any, between the original and edited transactions.







## Case 4: Using Data Analytics: Analyzing and Summarizing Data with Excel Pivot

### 4-1 ANDERSON INTERNAL MEDICINE (DATA ANALYTICS): USING DATA ANALYTICS—ANALYZING AND SUMMARIZING DATA WITH EXCEL PIVOT

#### Learning Objective

After completing this case, you should be able to:

1. Use Excel Pivot to analyze a spreadsheet created by, or small database imported into, Excel.
2. Use Excel Pivot to summarize by preparing easy to understand summary schedules for inclusion in examination reports and/or for courtroom presentation.

## HISTORY BEHIND THE FRAUD CASE

The president of an unlicensed securities firm was suspected of securities fraud (i.e., selling bogus stock warrants to unsuspecting investors). The contents of 12 monthly bank statements, canceled checks, and deposit tickets of the business were scheduled (over 50 pages of transactions). How could the transactions be easily summarized? What does the schedule of transactions reveal? Were there any significant transactions? Excel Pivot came to the rescue.

In a half hour and several clicks on Excel Pivot, the Pivot tables of deposits and disbursements showed that the president used the business checking account as if it were his personal piggy bank. He primarily used debit cards to pay for two to three meals a day every day, travel and entertainment, an automobile for a girlfriend, and payments for household utilities, cell phones, and “strip clubs.” Based on the timing of receipts from customers, he celebrated at “strip clubs.” Soon after he was indicted and arrested, he read the fraud examination report and accompanying schedules. Shortly thereafter, he agreed to plead guilty to racketeering. The judge sentenced him to 20 years for racketeering.

## Background

Tonya Larsen was the sole person in charge of the practice’s finances, including accounting during the period September 1, 2015, to March 31, 2016.

After completing the examination steps in Anderson Internal Medicine cases (Cases 2 and 3), you decided to schedule the bank transactions shown on the bank statements for the six months preceding March 2016 (the month you examined in Cases 2 and 3).

Before proceeding, go to the companion website and download the Excel spreadsheet titled, Anderson Bank Transactions (Sep Oct Nov Dec Jan Feb). It is also available in a lengthy hardcopy format in Chapter 7, section 7-4, “Using Data Analytics: Analyzing and Summarizing Data with Excel Pivot.” The downloadable version contains drop down categories, which helps simplify the process of adding categories, whereas the hardcopy version does not. This spreadsheet contains the result of your efforts for September 1, 2015, through February 29, 2016. Based on the initial review of the Excel spreadsheet, you decide that you need to add categories to the withdrawal transactions so you can better summarize the data. You decide to use the following categories commonly used by medical practices:

Answering Service  
Automobile  
Bank Charges  
Basement  
Books/Subscriptions  
Business  
Cash  
Cash Deposit  
Coding  
Contributions  
Food  
Hardware  
Health Insurance  
Insurance  
Janitorial Services  
Legal & Accounting  
Linen  
Marketing/Promotions  
Medical Supplies/Pharmaceuticals  
Medical Waste  
Miscellaneous  
Mortgage  
Office Supplies  
Parking  
Printing  
Repairs & Maintenance  
Shipping  
Taxes  
Telephone  
Travel  
Utilities

In scanning the spreadsheet, you notice unusual names that do not fall under the common categories used by medical practices. Accordingly, you use the following categories for those unusual transactions.

People  
Unusual Transactions

To facilitate categorization, a drop-down menu has been provided in the detail of transactions column. To use the menu, select the cell you want to use and click the down arrow that will appear to the right. Then select the category you feel is appropriate for the transaction.

Note: there are intentional spelling errors in the spreadsheet that you will identify and then sanitize (scrub) before completing the Pivot.

## Summary Requirements

Your firm has been contracted to perform the fraud examination. The attorney for Southern Appalachian Insurance Company added an additional assignment: conduct an analysis of the bank transactions from September 1, 2015, through February 29, 2016.

Study section 4-2, *How to Use Excel Pivot to Analyze and Summarize Data* before conducting the specific requirements of this case.

The results of your assignment will be used as a summary schedule in your report, a schedule attached to the report, and possibly a courtroom audiovisual should you be called to testify as an expert witness. Your assignment (in general) is, as follows:

1. Assign categories (using the drop-down choices provided) to the disbursement transactions to assist summarizing transactions.
2. Insert a PivotTable in a new worksheet and obtain the total quantities (count) of transactions and total dollars (sum) for each category. Make at least three new PivotTables (Exercises 1, 2, and 3):
  - a. Deposits (Amount Deposit and Deposit Category)
  - b. Check and Debit Card Disbursements (Check Category, Payee per Check/Debit, Amount Check/Debit) (**un-scrubbed**)
  - c. Check and Debit Card Disbursements (Check Category, Payee per Check/Debit, Amount Check/Debit) (**scrubbed**)
3. Sort the total dollars per category in descending order.
4. Enhance the scrubbed PivotTables for report and courtroom presentation purposes: Add an appropriate title and use proper “\$” signs, decimal format, etc.

This assignment is to be completed individually. In particular, all students are to perform the various fraud examination steps and submit their Excel PivotTables for grades. NOTE: No Excel template is provided. You are to create your own Excel PivotTables by following the step-by-step instructions.

## 4-2 HOW TO USE EXCEL PIVOT TO ANALYZE AND SUMMARIZE DATA

### Learning Objective

After reading this synopsis, you should be able to:

1. Understand the basics of data analytics.
2. Be able to use Excel Pivot as a data analytic tool to analyze and summarize a simple database (e.g., spread of the details of a bank statement for a 3-, 12-, or 36-month period of time).

### Introduction

Data analytics covers a spectrum from relatively simple to extremely complex, depending on the computer program used. Data analysis takes many forms including trends, pattern recognition, relationship analysis, and visual analytics. The data analyzed can be structured (e.g., accounting databases) or unstructured (e.g., cell phone texts). Some highly complex (and very expensive) data analytics packages like ACL, IDEA Data Extraction and Analysis, SAS, and Tableau “data mine” massive quantities of data contained in a single database up to a huge number of disparate databases located throughout the world. These require specially trained persons who regularly use these programs. In a simpler fraud examination, Excel conditional statements and Excel Pivot, which is bundled with Excel, can be used to perform basic data analytics. Older versions of Excel have size limitations (1 Mb of data), while newer cloud-based versions of Excel do not have this size limitation problem, but have the added problems of cloud-based security. Excel conditional statements such as nested IF statements (discussed in this case) are very powerful; however, they require an understanding of basic algebra. Excel Pivot is much easier to use than Excel conditional statements and provides the user the ability to quickly and easily analyze and summarize selected columns and rows of data in an Excel spreadsheet or database that have been imported into Excel. In this case your exercises involve only Excel Pivot.

Most often, fraud examiners can use Excel Pivot to analyze and summarize data:

- Personally input into an Excel spreadsheet (e.g., the details of accounting documents like bank, credit card, investment, and/or trust statements) as well as details contained in accounting ledgers and journals.

- Uploaded into Excel databases (e.g., downloads of data from accounting systems, electronic files obtained from third parties by subpoena, and downloads of client emails).

Once fraud examiners create spreadsheets or upload databases, what do the details mean? Fraud examiners can painstakingly examine each and every transaction. Or, they can use the power of Excel Pivot to examine the data to identify patterns and trends, select items/transactions for further review, summarize the data, and/or help draw conclusions.

## Be Careful with Data Analytics

1. *Remember: Garbage in, garbage out.* Beware that not only can the data contain intentional fraudulent entries (e.g., bogus payee names), but databases can be corrupted by:
  - Input errors (\$900.00 typed in as \$910.00 or Jean typed in as Gene or Jeanne).
  - Everyday computer activity (e.g., errors in reading, writing, storing, processing).
  - Conflicting or repetitive information (e.g., when analyzing two or more databases, some of the data fields may have been saved in different formats or contain redundant data).

Be aware that corrupt data may negatively impact the results when you analyze and summarize the data. Accordingly, it may make the results invalid and subject fraud examiners to cross-examination, which can damage their testimony.

2. *Scrub the data.* Considering the number of persons involved with inputting information, the same data most likely has been entered differently (e.g., errors, typos, text as numbers, capitalization inconsistencies, unneeded spaces before a number or word). If you do not cleanse the data before analyzing and summarizing, you will get multiple totals for each of the names and addresses. Following is an example of the variances that will cause problems.

<b>Company</b>	<b>Street Number</b>	<b>Street Name</b>	<b>City</b>	<b>State</b>
QuikTrip	199	Petit Road	Durango	ILLINOIS
QuickTrip	199	Petit Rd	Durango	Illinois
QT	199	Petit Road	Dorango	IL
QwickTrp	00198	Petit Lane	Durango	IL

To scrub the information, you first save the file (and/or PivotTable) with the data as they exist in the records (i.e., before the scrub). Then, save the file to a new name and cleanse the data. If you go to trial, you will need an audit trail to show how and why you altered the data and, if required, can produce both the original and scrubbed files. You may need the various versions to prove that you made informed alterations of source material.

NOTE: Before scrubbing, take time examining the data. Some of the information with what you think are typos may actually lead to previously unknown fraud. The vendor name might be a typo or an intentional name change to facilitate a fraudulent payment or legitimately obscure the vendor (e.g., strip clubs use names that indicate the transactions were for meals).

## An Example of Excel Pivot

The following is a simplified overview designed so you can complete this exercise. For more in-depth information, seek training through any of a number of free online sources like YouTube, paid online sources like Excel Central, academic services like Atomic Learning (available for free to students registered with educational institutions that use Atomic Learning, or equivalent), Excel training manuals, or taking an hour and “playing” with the Excel Pivot. It does not take long to master.

1. Open the spreadsheet or database. See page 68 for an example of a one-page spreadsheet.
2. Save your spreadsheet or database before starting so you can *undo* any changes.
3. Highlight the spreadsheet or database, including the row labels.
4. Click on the Insert tab and then click on PivotTable in the top left corner.
5. A Create PivotTable menu opens and gives you the ability to add the PivotTable to a new worksheet (new tab in the existing Excel Workbook) or existing worksheet (the spreadsheet or database that you are using). In most cases, select “new worksheet” to keep it separate and independent from the source spreadsheet.
6. In the blank PivotTable, a PivotTable Field List pops up on the right-hand side of a blank spreadsheet. It lists the fields (the row labels that you previously highlighted). It also states, “Chose field to add to report” at the top and “Drag fields between areas below” at the bottom. Under the drag fields are four boxes, “Report,” “Column,” “Row,” and “Σ Values.”

Posted Date	Check/Debit Amount	Deposit Amount	Bank Balance	Deposit Remitter	Payee Per Check/Debit	Withdrawal Category	Check Endorsement	Comments
10/01/14		BEG. BAL>	88,921.58					
10/01/14	8,575.00		80,346.58		Woodland Ridge	Assisted Living		
10/01/14		20,000.00	100,346.58	Franklin Williamson Investments				
10/02/14	1,900.00		98,446.58		Striptease Sports Grille	Strip Club		
10/06/14	27.00		98,419.58		Check order	Miscellaneous		
10/10/14	5,800.00		92,619.58		Jason Dawson	Basement	J Jason Dawson	For Basement
10/16/14	702.00		91,917.58		Withdrawal	Cash		
10/16/14	702.00		91,215.58		Withdrawal	Cash		
10/16/14	8.98		91,206.60		Walgreens	Medical		
10/16/14	12.84		91,193.76		Lance Hotels Sobe Gift	Personal		
10/16/14	88.75		91,105.01		Wings	Restaurant		
10/16/14	71.99		91,033.02		Sushi Rock	Restaurant		
10/16/14	21.99		91,011.03		Wings	Restaurant		
10/16/14	1,299.70		89,711.33		Mansion	Unknown		
10/16/14		20,000.00	109,711.33	Franklin Williamson Investments				
10/17/14	220.00		109,491.33		Withdrawal	Cash		
10/17/14	172.00		109,319.33		Withdrawal	Cash		

7. This is where you play by moving around the fields. For example, using the limited spreadsheet above:
- a. Drag the “Withdrawal Category” to “Row” and you get the names of the Row Labels.

---

**Row Labels**

---

Assisted Living  
 Basement  
 Cash  
 Medical  
 Miscellaneous  
 Personal  
 Restaurant  
 Strip Club  
 Unknown  
 (blank)

---

**Grand Total**

---

- b. Drag the “Check/Debit Amount” to “Σ Values” and you get the Row Labels and a Count of Check/Debit Amount.

---

<b>Row Labels</b>	<b>Count of Check/Debit Amount</b>
Assisted Living	1
Basement	1
Cash	4
Medical	1
Miscellaneous	1
Personal	1
Restaurant	3
Strip Club	1
Unknown	1
(blank)	
<b>Grand Total</b>	<b>14</b>

---

- c. Drag the “Check/Debit Amount” a second time to “Σ Values” and you get the Row Labels and two Count of Check/Debit Amount.

<b>Row Labels</b>	<b>Count of Check/Debit Amount</b>	<b>Count of Check/Debit Amount2</b>
Assisted Living	1	1
Basement	1	1
Cash	4	4
Medical	1	1
Miscellaneous	1	1
Personal	1	1
Restaurant	3	3
Strip Club	1	1
Unknown	1	1
(blank)		
<b>Grand Total</b>	<b>14</b>	<b>14</b>

- d. Because you do not need two counts, click on the down arrow in the pivot table field list in the second Count inside “ $\Sigma$  Values.” At the bottom of the drop-down list is “Value Field Settings” or “Field Settings,” depending on Excel version. Click on “Value Field Settings”; click on “Sum”; and click on “Okay.” This changes from Count to Sum and looks like:

<b>Row Labels</b>	<b>Count of Check/Debit Amount</b>	<b>Sum of Check/Debit Amount2</b>
Assisted Living	1	8575
Basement	1	5800
Cash	4	1796
Medical	1	8.98
Miscellaneous	1	27
Personal	1	12.84
Restaurant	3	182.73
Strip Club	1	1900
Unknown	1	1299.7
(blank)		
<b>Grand Total</b>	<b>14</b>	<b>19602.25</b>

- e. Highlight and retype the labels at the top of the rows to just “Count” and “Sum.” Then, highlight the cells in the sum column and right-click on them. Select format cells and change the number format to an accounting format with and without “\$” as seen below:

<b>Row Labels</b>	<b>Count</b>	<b>Sum</b>
Assisted Living	1	\$8,575.00
Basement	1	5,800.00
Cash	4	1,796.00
Medical	1	8.98
Miscellaneous	1	27.00
Personal	1	12.84
Restaurant	3	182.73
Strip Club	1	1,900.00
Unknown	1	1,299.70
(blank)		
<b>Grand Total</b>	<b>14</b>	<b>\$19,602.25</b>

- f. Simple? Yes and no! If you want a quick summary table, Excel Pivot is simple. If you have a large spreadsheet or uploaded database, you may want much more, but that will require you to explore Excel Pivot (see sources listed above).
- g. Below is a PivotTable inserted into the sample Fraud Examination report in Chapter 6. It gives you another example taken from a 12-month spreadsheet.

<b>Category</b>	<b>Number</b>	<b>Dollars</b>	<b>Examples</b>
Restaurant	456	\$52,383.76	ARIA Silverstone Bar, Tybee Island Brewing, Hooter’s, Roller’s Lounge, Eden Forest Country Club, Stoney River, Subway, Wendy’s
Strip Club	37	\$45,998.00	Strip T’Z Sports Grille (aka Striptease Atlanta)

(continued)

Category	Number	Dollars	Examples
Entertainment	74	\$36,291.50	Will Avants Golf, Sussex Billiards & Beer, West Point Lake, Garland Marine, Shipyard Golf Club, Cloverland Amusement
Automobile	205	\$6,799.07	Amoco, BP, Chevron, Exxon, QuikTrip
Grocery	126	\$8,101.13	BI-LO, Kroger, Piggly Wiggly, Publix
Wine/Liquor	7	\$994.36	Hopkins Warehouse Liquor, Elegant Wine
Sex Items	3	\$370.96	Erotic Toys and More

h. Now. **Go and play with the Excel Pivot.** See what it can do for you.

## How to Scrub the Data and Refresh the PivotTable

When you prepare a spreadsheet using original documents you should be inputting the information as shown on the document (e.g., “Kinko’s—Alpharetta” on the payee line of the check or “Kinko’s #213 Canton, GA” for debit card transactions shown in the bank statement). If you testify, expect opposing attorneys to question you on what they perceive as errors. Changing information for analysis (e.g., “Kinko’s” for “FedEx Kinko’s”) might be misconstrued as errors. When you receive a database prepared by someone else, expect multiple inputs of the same data (e.g., Gene, Eugene, Jean) that can corrupt the analysis. The many different versions of the same data make summarization of the data challenging. Accordingly, you will need to scrub (cleanse) the data.

To cleanse the data you need to (1) preserve the original data and (2) cleanse the original data to facilitate analysis. You do this by maintaining an audit trail. Save the original spreadsheet or data file and then rename and save a second spreadsheet or data file. Use names that easily identify the original version (e.g., ORG, version1, v1) and subsequent versions (e.g., WORKING, SCRUB, version2, v2). Note: If subpoenaed or if subsequently testifying as an expert witness you will have to turn over all versions to opposing counsel.

Once you have archived the original spreadsheet (or data file) and saved a copy of the data file, you can start cleansing the data in the new file. For electronic databases with huge amounts of information, you may need the assistance of IT technicians who have programs for cleansing the data. For Excel files, there are several redundant options. One methodology is Search and Replace.

## FIND

1. First, find the different versions of the word(s) you want to change.
2. Highlight the Excel column(s) you want to change (e.g., “Payee of Check/Debit”) by clicking on the gray bar above the column.
3. On the **Home** tab at the top of the spreadsheet, click on “Find & Select,” which is located all the way to the right, and then click on “**Find.**”
4. Next to “Find what:” type in what you want to find (e.g., Kinko’s). In the spreadsheet provided for the Data Analytics exercises, you will find “Kinko,” “FedEx Kinko’s,” and “Kinko’s—Alpharetta.” You will not find words that are misspelled (e.g., Kindo’s for Kinko’s).

## SEARCH AND REPLACE

1. Highlight the Excel column(s) or row(s) you want to change (e.g., “Payee of Check/Debit”) by clicking on the gray bar above the column or to the left of the row.
2. On the **Home** tab at the top of the spreadsheet, click on “Find & Select,” which is located all of the way to the right, and then click on “**Replace.**”
3. Next to “Find what:” type in what you want to find (e.g., Kinko’s—Alpharetta) and next to “Replace with:” type in what you want to replace (e.g., Kinko’s). *Be very careful* and remember that you have an **Undo** button. If you reversed the find and replace terms (e.g., replace Kinko’s with Kinko’s—Alpharetta) you may get unintended consequences if there are more than two versions of the words you want to correct (e.g., FedEx Kinko’s, would become FedEx Kinko’s—Alpharetta). You must think through the search and replace to avoid undoing and starting all over again.
4. Note: Changing the wording in one column will not necessarily change the categories listed in another column. If there are errors in the categories column, especially where you used a drop-down menu, you will have to correct those individually. Do not use search and replace. Either change the category using the drop-down menu or Copy followed by Paste.

## REFRESH

The PivotTable summaries can be “refreshed” at any time to include new information that has been subsequently added to the spreadsheet or for changes in existing data like spelling corrections and search and replace. You do not have to start all over again.

1. While inside the PivotTable, click anywhere in the results. Following is an example. In a real PivotTable you can click anywhere, including anywhere inside the names, dollar amounts, or count columns.

<b>Repairs &amp; Maintenance</b>	<b>8,414.21</b>	<b>12</b>
Agbonze Tree Service	170.00	1
Barry’s Com’l Repairs	3,821.00	4
Barry’s Commercial Repairs	3,288.00	5
Pest USA	1,135.21	2

2. At the top of the Excel spreadsheet on the **Home** tab, two PivotTable Tools appear in the middle: “**Options**” and “**Design**.”
3. Click on “**Options**.”
4. At the top in the middle of the page is “**Refresh**.”
5. Click on the down arrow under “**Refresh**” and you have two choices: “**Refresh**” and “**Refresh All**.” Click “**Refresh All**” and all of the PivotTable results are modified.

## Nested Conditional Formulas

Data analytics is as broad as it is complex. Rarely are users constricted to just numbers or text or even the same type documents or databases. Having as many tools in your arsenal as possible will become one of the keys to being successful in data analytics.

One of the most powerful tools in Excel data analytics, which will briefly be discussed *only* to provide awareness, is *nested conditional formulas*. Because of its complexity, it is being provided for informative purposes only. You will not be using nested conditional formulas in this course.

Nested conditional formulas are Excel formulas where the Excel user combines more than one function statements to return a desired result (e.g., the disbursements made after a certain deposit that as a group more or less

equal to the amount of that deposit—a first-in, first-out (FIFO) analysis to match disbursements to a specific deposit).

Excel offers a large number of function statements, which can be used alone or in groups inside nested conditional formulas. Many are complex and require training and regular use. Others are simple and probably already in use on a regular basis. A few examples of the easier functions are shown below. For comparison purposes only, all of the cells involved in the function statement examples are from A1 through A23. Change the cells included in the analysis (say, to A1:Q234 or B3:D257) and different data are analyzed and result in different outcomes.

- AVERAGE function [=AVERAGE(A1:A23)] gives the average of a set of numbers found in cells A1 through A23.
- COUNT function [=COUNT(A1:A23)] gives the count of the number of cells found in cells A1 through A23.
- IF function [=IF(A1 = “Yes”,1,2)] or [=IF(A1 = “Yes”,Yes,No)] gives the user the ability to make logical comparisons between a value and what is expected. “1,2” returns 1 if the answer is yes and 2 if the answer is no. Similarly, “Yes,No” returns Yes if the answer is yes and No if the answer is no. It is a proverbial statement asking “IF” something is one thing or another (e.g., is it true or false).
- MIN function [=MIN(A1:A23)] gives the smallest number listed in cells A1 through A23.
- SUM function [=SUM(A1:A23)] adds the values in the range of cells A1 through A23.

To create conditional formulas, you need a logical comparison and the ability to determine whether conditions are true or false.

=IF(logical test functions, value IF true, value IF false)

Nested conditional formulas (a combination of conditional formulas) take the power of Excel further; however, they require more thought than a single function. Nested conditional formulas also require an understanding of basic algebra. Anyone can use a simple Excel “=SUM()” function. If the question you want answered can be limited to a yes (value is true) or no (value is no) question or a series of yes or no questions, then nested conditional formulas can easily perform complex data analysis involving a large database and quickly return the desired answer(s).

Nested conditional formulas may be so complex that users diagram a decision tree to visually see the combination of functions and the order in which the functions interconnect with one another.

For explanatory purposes only, we discuss only one type of nested conditional formulas, daisy-chained (interconnected) “IF” equations, which can do processes such as find, list, and tabulate data. What is meant by a daisy-chained “IF” equation? The equation relies on the first function of the equation to determine the next step(s) by using formulaic variables. The Excel “IF” function is a conditional statement that determines “IF” the condition (variable, formula, constant, etc.) is true or false (e.g., 1 or 2, Yes or No). Basic usage normally leads to a constant value as shown below.

```
=IF([Condition], [If-True Value1], [If-False Value2])
```

Using the Anderson Internal Medicine spreadsheet provided with fraud Case 4, an “IF” equation can be used to locate cash deposits:

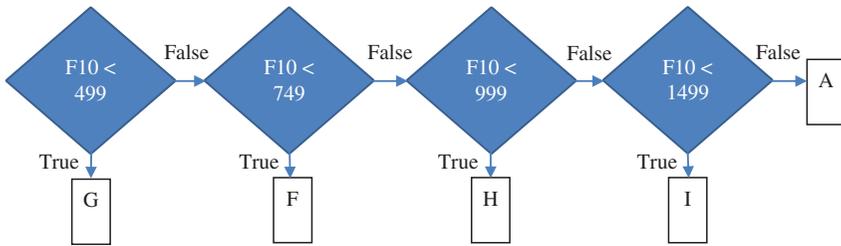
```
=IF(K11 = “Cash Deposit”, “True”, “False”)
```

This “IF” equation results in a single cell containing a formula that returns the constant “True.” While this might be useful, a single result is not necessarily meaningful. What would happen if the constant “True” were a variable or another formula? Instead of locating a single bit of data, the IF equation could conceivably take the data analysis farther and return more results. Complicated? Yes. You can have up to 64 levels nested (i.e., consecutive) functions in a single formula. However, it is quicker than spending hours performing potentially inaccurate manual computations and can be far more consistent in its application.

For illustration purposes, following is what a daisy-chain “IF” equation looks like.

```
=IF(F10 < 499,"G",IF(F10 < 749,"F",IF(F10 < 999,"H",IF(F10 < 1499,"I",
    "A"))))
```

Column F in the above daisy-chain “IF” equation is Amount Check/Debit in the Anderson Internal Medicine spreadsheet. Here is a decision tree flowchart of the equation:



This is powerful. We can use a daisy-chain “IF” equation to perform such tests as analyze the Anderson Internal Medicine spreadsheet and stratify the outgoing flows of money in the account. It can then drag down the analysis column to help Pivot and/or other analysis tools to add further definition to your analysis.

Nested conditional formulas are powerful, particularly when the data are massive. However, they are also complex. After this exposure, those who want to know more will need to take training and then regularly use nested IF statements to attain any degree of proficiency.

### 4-3 EXERCISES—USING DATA ANALYTICS (ANDERSON INTERNAL MEDICINE)

#### Exercise 1: Excel Pivot (Checks and Debit Card Disbursements)—Individual Assignment

Using the Excel spreadsheet (small database) titled “Anderson Bank Transactions (Sep Oct Nov Dec Jan),” which is found in the companion website for this course, develop two Excel PivotTables to analyze and summarize the data. *Exercise 1* will involve checks and debit card disbursements and *Exercise 2* will involve deposits. Your starting point is the tab at the bottom of “Anderson Bank Transactions (Sep Oct Nov Dec Jan)” labeled ORG SCH.

NOTE 1: Save frequently to avoid loss of your work!

NOTE 2: Be very careful when assigning categories, as there could be surprises revealed by the names and/or dollar amounts! Not all of the receipts and disbursements may be those of Anderson Internal Medicine—one of the purposes of Excel Pivot (or any other data analysis) is to detect anomalies for further examination. Also, not all names are what they appear to be. In real life, check

the names on the Internet to find out more information. For example, Strip TZ Grille is a credit-card/debit-card front for Strip TZ, a strip club that uses the name to hide charges from spouses and significant others.

NOTE 3: When using Pivot, it will automatically create a new tab called “Sheet2,” “Sheet3,” etc. with each iteration. Use the instructions below to rename the Pivots to something more recognizable, like “DISB” for Checks and Debit Card Disbursement and “DEP” for Deposits.

1. Save the spreadsheet ORG SCH to a copy for analysis and audit trail purposes (this maintains the original file and starts a new file). You do this by putting the cursor over the tab called ORG SCH; right click; and then select “Create a copy” and “(move to end).” That will create a new tab called “ORG SCH (2).” Put your cursor over that new tab; right click; and then rename it something that will reflect it as a working copy, say “Working Sch.”
2. Then open “Working Sch” and use the drop-down labels in the column Check Category to assign the checks and debit card transactions to categories for subsequent analysis. These are the disbursement categories provided in the case scenario.
3. Prepare the FIRST of two Excel PivotTables (Checks and Debit Card Disbursements a/k/a DISB) using the steps below.

For DISB, performing the following steps:

- a. Highlight the entire schedule except Ending Balance (note that the results will include the Opening Balance that will have to be removed from the ultimate results).
- b. Click the “Insert” tab at the top of the spreadsheet, followed by clicking “PivotTable.”
- c. The pop up called “Create PivotTable” will give choices. One of the choices is “Select a table or range,” which should give the highlighted range in Step b.
- d. Another choice is “Choose where you want the PivotTable to be placed,” which should already be marked “New Worksheet.” Make sure you put it in a “New Worksheet” to avoid future confusion. This places the PivotTable in a new tab labeled “Sheet5” at the bottom of the worksheet.
- e. On the left side is the blank PivotTable and on the right is the PivotTable Field List, which allows you to click on the boxes in “Choose field to add to report.” Start building the PivotTable by experimenting with the “Choose field to add to report.” Changes help you to immediately modify the PivotTable.

- f. For example, check “Payee of Check/Debit,” “Amount Check/Debit,” and “Check Category.” That gives you all of the individual checks for each payee. Note that the selections are listed under “**Row Labels**” at the bottom of the “PivotTable Field List.”
- g. Experiment with this example by moving “Amount Check/Debit” from “**Row Labels**” to “**Σ Values**” by dragging and dropping the label. This changes the Pivot results and gives a *Count* of the amount of checks/debits.
- h. Experiment further with this example by changing “**Σ Values**” from a *Count* to a *Sum* of the amount of checks/debits. Click on the down arrow for *Count of Amount Checks/Debits* under “**Σ Values**” and select the option “Value Field Setting” and then click on *Sum*. This changes the summary results to *Sum of Amount Check/Debit*. Now you have the sum total of all checks/debits made payable to particular payees.
- i. What if you want both the count and sum of checks/debits. Add a second selection to “**Σ Values**.” Drop and drag “Amount Check/Debit” from the “Choose field to add to report” down to “**Σ Values**.” This adds both *Count of Amount Checks/Debits* and *Sum of Amount Check/Debit* under “**Σ Values**.” Now you have the quantity and sum of the checks and debits.
- j. Reverse the order “**Row Labels**” from “Payee of Check/Debit” followed by “Check Category” by dragging and dropping “Check Category” to the top of the list.
- k. Change the name from Sheet5 to DISB to provide a better title for future identification.
- l. Highlight the rows you want to hide (e.g., Beginning Balance and Blanks that contain no quantities) and then right click and select “Hide.”
- m. Review the results for the “Check Category” Unusual Transactions and look for anomalies. There are at a minimum seven irregularities. Put those in your memory bank for the next fraud case.

## Exercise 2: Excel Pivot (Deposits)—Individual Assignment

Using Working Sch from Exercise 1 prepare the SECOND of two Excel PivotTables (Deposits, or DEP) using the following steps:

1. In short, you will be repeating many of steps a. to j. from Exercise 1.
2. Highlight the entire schedule except Ending Balance (note that the results will include the Opening Balance that will have to be removed from the ultimate results).

3. Click the “Insert” tab at the top of the spreadsheet, followed by clicking “PivotTable.”
4. The pop-up called “Create PivotTable” will give choices. One of the choices is “Select a table or range,” which should give the highlighted range in Step b.
5. Another choice is “Choose where you want the PivotTable to be placed,” which should already be marked “New Worksheet.” Make sure you put it in a “New Worksheet” to avoid future confusion. This places the PivotTable in a new tab labeled “Sheet6” at the bottom of the worksheet.
6. On the left side is the blank PivotTable and on the right is the PivotTable Field List, which allows you to click on the boxes in “Choose field to add to report.” Start building the PivotTable by experimenting with the “Choose field to add to report.” Changes help you to immediately modify the PivotTable.
7. For example, check “Amount Deposit” and “Deposit Category.” That gives you all of the individual deposits. Note that the selections are listed under “**Row Labels**” at the bottom of the “PivotTable Field List.”
8. Experiment with this example by moving “Amount Deposit” from “**Row Labels**” to “**Σ Values**” by dragging and dropping the label. This changes the Pivot results and gives a *Count* of the amount of checks/debits.
9. Experiment further with this example by changing “**Σ Values**” from a *Count* to a *Sum* of the amount of checks/debits. Click on the down arrow for *Count of Amount Deposit* under “**Σ Values**” and select the option “Value Field Setting” and then click on *Sum*. This changes the summary results to *Sum of Amount Deposit*. Now you have the sum total of all deposits made payable to each category.
10. What if you want both the count and sum of deposit? Add a second selection to “**Σ Values**.” Drop and drag “Amount Deposit” from the “Choose field to add to report” down to “**Σ Values**.” This adds both *Count of Amount Deposit* and *Sum of Amount Deposit* under “**Σ Values**.” Now you have the quantity and sum of the deposits.
11. Change the name from Sheet6 to DEP to provide a better title for future identification.
12. Highlight the rows you want to hide (e.g., Beginning Balance and Blanks that contain no quantities) and then right click and select “Hide.”
13. The results should detect one anomaly. If not, repeat and review results until you find the anomaly.
14. What is the anomaly? What is the source of the anomaly? Is the check a normal deposit for Anderson Internal Medicine? If you double-click on the

result you want, it will take you to the details behind the summary number (\$36,000 check deposited on December 30, 2015). Put it in your memory bank for the next fraud case.

### Exercise 3: Excel Pivot (Scrubbing)—Individual Assignment

You are not done yet. *You have to scrub the data to ensure uniform results.* In the DISB PivotTable for Working Sch, for example, look at the Row Label “Automobile.” It has KIA Finance Company and KIA Southwest. Both are the same company. Look at the Row Label “Business.” There are three Kinko’s.

First, save Working Sch to a new name. You will be using Search and Replace inside Working Sch to scrub the category descriptions. If you do not save Working Sch to a new name, you will lose the results of the PivotTable from Exercise 2 when you click Refresh.

For example, scrub KIA Southwest by changing all of those transactions to KIA Finance Company. Similarly, change the three different sets of Kinko’s transactions to a single Kinko’s—and so on, until you make all category titles uniform.

**Use scrubbing instructions above in the “How-To” section.**

Using Working Sch from Exercises 1 and 2, clean up the input errors and refresh the DISB and DEP using the following steps:

1. Save the spreadsheet “Working Sch” to a new name like “Scrub Sch.” Now you have the ORG SCH, Working Sch, and Scrub Sch. This maintains your audit trail should you need it in court.
2. Scrub the remaining data.
3. Once the scrub is complete, perform the Pivots again and make sure that the names under the Row Label are uniform. This will ensure your final results.
4. Change the formats of the numbers and totals. Get the Excel Pivot ready for inclusion in the report and/or as a courtroom-ready audiovisual.

## 4-4 REVIEW QUESTIONS—USING DATA ANALYTICS (ANDERSON INTERNAL MEDICINE)

1. Data can be corrupted by which of the following?
  - A. Everyday computer activity (e.g., errors in reading, writing, storing, processing data)
  - B. Redundant data stored in more than one location

- C. Intentionally fraudulent entries
  - D. Any of the above
2. Examples of input errors that make data analysis challenging include all of the following, except?
    - A. QuikTrip, QuickTrip, QT, QwickTrp.
    - B. *Johnson*, Johnson, **Johnson**.
    - C. Durango, Durango, Dorango.
    - D. FedEx Kinko's, Kinko's, Kinko's—Canton.
  3. When adding categories to summarize data, you should perform all, except which of the following?
    - A. Research payee business names on the Internet to gain a better understanding of what the payee does.
    - B. Be aware of similar or duplicate names that may require future cleansing.
    - C. Accept the information as is.
    - D. Research an individual's name on social media (e.g., Jack Gotti) to gain a better understanding of who the person is.
  4. Excel PivotTables can quickly be changed in the PivotTable **Value Field Settings** by:
    - A. Clicking on different fields.
    - B. Moving fields between **Row Labels** and **Values**.
    - C. Clicking the down arrow on **Values** and **Value Field Setting** and selecting Sum, Count, Average, Min, Max.
    - D. All of the above.
  5. Scrubbing involves which of the following?
    - A. Correcting spelling errors.
    - B. Collapsing different variations of a name (e.g., Sloppy's, Sloppy's Mid-Town, and Northside Sloppy's) into a single grouping (e.g., Sloppy's).
    - C. Removing blanks and extra characters in data fields.
    - D. All of the above.
  6. When scrubbing Excel data, you perform all, except:
    - A. Use "Find what:" to describe what you want to find and type in "Replace with:" what you want to replace.
    - B. Change click on what you want to change using the drop-down menu.
    - C. Click on "Find & Select" and then click on "Replace."
    - D. Highlight the Excel column(s) or row(s) you want to change.

7. To refresh the PivotTable after entering new or corrected data you do all of the following, except:
- A. Use PivotTable Update Tools to “Restore” your original data when you do not get your desired results.
  - B. While inside the PivotTable, click anywhere in the results (on the left side of the page) to get “**Options**” and “**Design**” on the menu bar.
  - C. You select “**Options**” and then “**Refresh**.”
  - D. You select “**Refresh All**” to incorporate all new or corrected data.

# Case 5: Tracing Data Analytics Red Flags Back to Source Documents Using Subpoenas

## 5-1 ANDERSON INTERNAL MEDICINE AND LARSEN CONVENIENCE STORE (CONSPIRACY AND LOAN FRAUD): TRACE TRANSACTIONS DISCOVERED DURING DATA ANALYTICS BACK TO SOURCE DOCUMENTS USING SUBPOENAS

### Learning Objective

After completing this case, you should be able to:

1. Take red flags detected from using data analytics (i.e., suspicious deposit and related disbursements) and trace those transactions back to the source documents (loan documents in this case).
2. Prepare subpoena wording for attorneys to obtain additional bank documents.
3. Review loan documents and determine whether the loan documents (credit applications and supporting documents) contain material misstatements.

## HISTORY BEHIND THE FRAUD CASE

Father and son were targets of an arson-for-profit investigation. The father was gambling at a casino at the time an incendiary fire destroyed his business. Data analysis of the primary business bank account detected a large deposit, which was significantly larger than any prior deposits associated with the business. Using first-in, first-out (FIFO) analysis, the recent deposit was matched with funds used to pay a casino, other financial institutions, and a construction company. A second round of subpoenas was served to the source of the large deposit and the entities that received the checks associated with the deposit. It revealed, among other things, that the large deposit was partially used for payment of construction charges in arrears. Another round of subpoenas was serviced to all of the financial institutions in the small town to locate and obtain both the father and son's personal checking accounts. Documents received from the subpoenas revealed payments for gambling debts to several casinos, a host of delinquencies on mortgages owed individually by the father, mortgages owed individually by the son, and vendors that supplied the business as well as a contractor building a commercial structure. This resulted in a fourth round of subpoenas to casinos, mortgage companies, and vendors. Of particular note, the subpoena to the contractor discovered that the proceeds of the commercial loan were not used for new construction, as requested in the credit application. In total, the loan proceeds eventually went through a total of five financial institutions and were a challenge to simplify the sources and uses of loan proceeds during expert testimony.

Father and son were convicted of arson and over 30 fraud counts, including loan application fraud, check kiting, and scheme to defraud a bank. The judge sentenced both to 10 years in prison.

## Background

As discussed in the overview of the serial cases, Greg Larsen owned and operated Larsen Convenience Store (case 1) and Tonya Larsen was the office manager for Anderson Internal Medicine (AIM) (cases 2 to 4). Often, the spouse of a fraudster is oblivious to (and innocent of) the alleged fraud(s) being examined. In other instances, the husband and wife are conspirators. Part of a fraud examination involving husband and wife is, among other things, to determine the facts between husband and wife. From cases 1 to 4 we found that Greg's cash flow problems financially impacted his wife, and vice versa.

Recall that the fraud examination of the income tax returns and personal financial statements in case 1 found that Greg Larsen (DBA Larsen

Convenience) had significant cash flow problems: The company's balance in its checking account significantly decreased, the company's credit card balance significantly increased, Greg laid off employees, and all of his vendors made him sign promissory notes and put all of his future shipments during the final two months on cash on delivery (COD) terms. In addition, the income tax returns show that Tonya's salary significantly decreased in 2015 (she had been terminated by her former employer and was unemployed for six months before joining AIM).

In Case 4, you examined documents processed by AIM's bank between September 1, 2015, and February 29, 2016. Through Excel Pivot data analytics, you identified red flags that required additional examination that were posted by the bank in late December 2015. Of particular note, you detected a check dated December 30, 2015, for \$36,000.00 that was deposited into the AIM checking account. The \$36,000.00 check was made payable to "Cash" and drawn on Greg Larsen's account at Waleska Bank (Waleska, Georgia). A review of all other deposits showed cash deposits that totaled less than \$2,000. Larsen Convenience Store burnt down two days later.<sup>1</sup>

In many fraud examinations, evidence is received and examined in helter-skelter order. This case is an example of discovering suspicious activity late in a fraud examination and having to double back and examine new documents. In the current case, a series of subpoenas associated with the red flags returned documents from two financial institutions (Bank of Lawrenceville and Waleska Bank) and an interview was conducted with the lending officer of Waleska Bank.

### **Innocent Third Parties (Financial Institutions)**

Financial institutions often collect their loans or mortgages if they follow good lending policy and file a financing statement (a standard legal form that lenders file with the clerk of court to secure title to various types of non-real-estate property pledged as collateral for a loan) or a deed of trust (mortgage filing similar to financing statements that collateralize the real property). Insurance companies generally pay innocent third parties (like a financial institution) in a casualty loss if the financial institution properly secured the loans or mortgages, respectively.

Although financial institutions suffer no economic loss, the insurance companies who reimburse the financial institutions suffer the loss.

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<sup>1</sup>Bank of Lawrenceville and Waleska Bank are part of the correspondent bank. Accordingly, all checks, including the \$36,000 check, clear overnight.

## Conspiracy

The federal government and the various states have criminal statutes regarding conspiracy to commit criminal acts.

According to the U.S. Attorneys' Manual, *Criminal Resource Manual* (CRM-923), the general conspiracy statute is **18 U.S.C. § 371—Conspiracy to Defraud the United States**. It defines conspiracy as:

an offense [i]f two or more persons conspire either to commit any offense against the United States, or to defraud the United States, or any agency thereof in any manner or for any purpose... The operative language is the so-called “defraud clause,” that prohibits conspiracies to defraud the United States. This clause creates a separate offense from the “offense clause” in Section 371. Both offenses require the traditional elements of Section 371 conspiracy, including an illegal agreement, criminal intent, and proof of an overt act.

In short, a conspiracy is a verbal, written, or unspoken agreement between two or more persons to intentionally commit an apparent criminal act in furtherance of their agreement.

In this fraud case, an argument can be made that Greg and Tonya conspired to obtain loan proceeds for a stated purpose; move that money through a series of federally insured bank accounts; and then disburse that money for other purposes.

## Summary Requirements

After conferring with the attorney for Southern Appalachian Insurance Company, you prepared and he edited wording for subpoenas to the Bank of Lawrenceville and Waleska Bank to find out more information concerning the \$36,000.00 check. Note: these subpoenas are not provided. Raymond T. Boone, CFE, a special agent with the insurance company's Special Investigative Unit (SIU), subsequently interviews John Grayson, the Senior Vice President and Branch Manager for Waleska Bank in Ball Ground, Georgia.

1. Review the documents returned with the subpoenas and the interview of John Grayson in Chapter 7, section 7-5, “Anderson Internal Medicine and Larsen Convenience (Husband/Wife Loan Fraud and Conspiracy).”
2. Write up the fraud examination analysis for an addendum to the original fraud examination reports for both Larsen Convenience Store and Anderson Internal Medicine that discusses the results of your review.

Be sure to include condition (material error or fraud discovered), criteria (description in the type of material error or fraud and scope of analysis), cause, and effect.

3. Prepare an audiovisual (e.g., flowchart) that shows the flow of money from inception through final checks.

The results of your assignment will be used as an addendum to the original report, schedule(s), and possibly a courtroom audiovisual.

## 5-2 HOW TO WRITE WORDING TO SUBPOENA DOCUMENTS, INFORMATION, AND/OR OBJECTS

### Learning Objective

After reading this section, you should be able to:

1. Prepare wording for a subpoena to obtain financial documents.
2. Be able to review the documents obtained by subpoena and determine whether you need additional documents.

### Introduction

Financial and related information most often must be subpoenaed. Entities (corporations, limited liability companies, partnerships, etc.) that maintain financial and other information (e.g., audited and unaudited financial statements; tax returns; and bank, credit card, investment, and/or trust statements) have a fiduciary duty to protect that information, and most often will not provide requested information unless served with a valid subpoena prepared by a civil or criminal attorney associated with an open civil or criminal case (e.g., contract lawsuit, divorce proceedings, or criminal investigation). Individuals (and their unincorporated proprietorships) may invoke their right against self-incrimination and not provide anything in criminal (but not most civil) proceedings. This necessitates obtaining the information from other sources.

There are two basic types of subpoenas. *Subpoena duces tecum* is a court order to a person or entity to attend court (or a grand jury) and bring relevant documents. *Subpoena to testify* is an order for a person to attend a hearing, grand jury, or deposition to testify. Each federal, state, and local court has its own civil and criminal variations. U.S. court samples are provided in the documents section. They illustrate civil and criminal subpoenas to provide

documents, information, or objects and criminal subpoenas to testify in a deposition, grand jury, or hearing/trial.

The agents for and attorneys representing the entities receiving the subpoena will limit production to only what they determine has been requested. If the wording in a subpoena is poorly written, you may not get what you want. Even if well written, what is provided is limited to your request (e.g., canceled checks over \$499.99), and when you review that information, you may have to prepare another subpoena (e.g., for selected checks, deposit tickets, and offsetting items deposited with the deposit ticket shown in the bank statement). NOTE: Subpoenas are often “fishing expeditions,” and wording in the request may be challenged as overly broad. Compliance with a subpoena costs money (e.g., an hourly research fee, plus a set fee per item retrieved). Also, the wording can request ALL information (e.g., bank statements as well as all checks, deposit tickets, and offsetting items); however, subpoenas can be costly and response takes time. If you request too much information, the providing entity may charge an exorbitant amount for research and reproduction and/or take months to produce. What happens if you request all offsets to deposit tickets (checks, debit memorandums, etc.) from a wholesale or retail company? You might get hundreds of checks for customer payments. If you restrict the request to less information, you should get the response quicker and at a lower cost. However, it may necessitate more than one subpoena. Check with your attorney. It is his/her call on how broad or how limited to make the subpoena.

Know your target! In this case, it is Greg Larsen DBA Larsen Convenience, who is a person and/or his alter ego (personally owned proprietorship). He most likely will not respond to a subpoena. If you subpoena Greg Larsen in a criminal case, he can invoke his right against self-incrimination. Records are often available elsewhere. You can, for instance, request Greg Larsen’s information from a third party such as a financial institution. With taxing authorities, your attorney will have to request the information through an ex parte order before a judge, who decides whether to sign an order. This is needed particularly when obtaining tax returns from the Internal Revenue Service because of the secret nature of tax information.

Following are samples of subpoena wording associated with requesting bank statements, checks, deposit tickets, and offsetting items. Note that “but not limited to” is added to cover that which you may not have requested:

- Monthly bank statements and associated documents, including but not limited to, both the front and back of all checks, all deposit tickets, and

offsetting items (checks, debit memorandums, etc.) for XYZ for the period \_\_\_\_\_ to \_\_\_\_\_.

- Monthly bank statements for XYZ for the period \_\_\_\_\_ to \_\_\_\_\_.
- The demand account documents, including but not limited to, the front and back of all checks, all deposit tickets, and offsetting items (checks, debit memorandums, etc.) for XYZ for the period \_\_\_\_\_ to \_\_\_\_\_.
- The savings account documents, including but not limited to, the front and back of all checks of \$500.00 or more, all deposit tickets, and offsetting items (checks, debit memorandums, etc.) where each offset is \$500.00 or more for XYZ for the period \_\_\_\_\_ to \_\_\_\_\_.
- For XYZ for the period \_\_\_\_\_ to \_\_\_\_\_ provide the following to include but not limited to: (this prevents typing in the name of the subpoenaed person or entity and time period over and over).

### 5-3 EXERCISE—ANDERSON INTERNAL MEDICINE AND LARSEN CONVENIENCE STORE (CONSPIRACY AND LOAN FRAUD)

#### Exercise 1: Individual Assignment

You find suspicious the \$36,000.00 check deposited into the AIM checking account on December 30, 2015. It was made payable to “Cash” and drawn on Greg Larsen’s account at Waleska Bank. Why was the \$36,000.00 check deposited into AIM, and why were Larsen Convenience Store disbursements made using AIM checks? Accordingly, you want to review the financial information associated with that check:

1. Review the documents returned with the following:
  - a. The subpoena to the Bank of Lawrenceville to obtain Anderson Internal Medicine’s demand account information for Account 7018188 for the period ending on or around December 31, 2015, including, but not limited to, the deposit ticket and front and back of the canceled check for \$36,000.00, and the front and back of all canceled checks over \$1,000.00 posted on or after December 30, 2015;
  - b. The subpoena to Waleska Bank to obtain the Greg Larsen’s demand account information for Account 7011176 for the period ending on or after December 31, 2015, including, but not limited to, the

- monthly bank statement, all deposit tickets and off-setting items over \$25,000.00, and the front and back of all canceled checks posted on or after the date of the aforementioned deposits over \$25,000.00; and
- c. The subpoena to Waleska Bank to get the credit application and the front and back of the canceled official checks associated with the \$49,000.00 official check deposited into Greg Larsen's demand account on December 28, 2015.
2. Review the SIU interview of John Grayson.
  3. Write up the fraud examination analysis for an addendum to the original fraud examination reports for both Larsen Convenience Store and Anderson Internal Medicine that discusses the results of your review. Be sure to briefly discuss what you did or did not do and the findings (condition, criteria, cause, and effect).
  4. Prepare an audiovisual (e.g., flowchart) that shows the flow of money from inception through final checks.

The results of your assignment will be used as an addendum to the original report and a courtroom audiovisual should you be called to testify as an expert witness.

This assignment is to be completed individually. In particular, all students are to perform the various fraud examination steps and submit their report narrative and audiovisual(s) for a grade. No Excel templates are provided.

# 6

## Reports, Schedules, and Audiovisuals

### 6-1 WRITING A FRAUD EXAMINATION REPORT

#### Learning Objective

After reading this summary, you should learn about:

1. The components of a written fraud examination report.
2. How to refer to schedules and audiovisuals in the body of the report.

#### Fraud Examination Report

Each organization has its own fraud examination report format. Fraud examination report formats often contain the same elements as those found in audit reports.

Following is an outline of common elements. Immediately after the outline is a sample report. The client in the example is a prosecutor; however, the client can easily be a private attorney, corporate attorney, corporate manager, or a person who hired you to determine whether he/she was defrauded.

TO: }  
 FROM: }  
 RE: }  
 DATE: }

This is in a memorandum format; however, it can also be written in a letter format.

### I. Background

You need to briefly state why you conducted the fraud examination.

### II. Executive Summary

Summarize what steps you performed and what you found during the fraud examination. Readers need a quick overview and a reason to “dig” into the details.

### III. Scope

Explain the scope of the fraud examination (e.g., determine whether predication took place). If need be, discuss any issues that need to be brought to the reader’s attention.

### IV. Methodology/Findings

Give a brief description of what you did and did not do (e.g., the documents reviewed, tests performed, individuals interviewed, assumptions made, and any scope limitations). Findings can be shown immediately after discussing methodology or shown separately. You describe what you found in sufficient detail so the reader understands what happened. However, avoid giving too much detail so the reader does not (1) lose interest or (2) get confused. Providing the right amount of detail is an art form. It is suggested that you have a cold reader read the report to determine whether the cold reader understands it before you issue the report.

If needed, break the findings down into separate categories. If possible, cover condition (category of fraud), criteria (type of fraud, if applicable),<sup>1</sup> cause (weak or nonexistent internal controls, collusion, etc.), and effect (e.g., estimated loss, bankruptcy, etc.).

When discussing condition, do not express an opinion of guilt. The ACFE Code of Ethics states, “No opinion shall be expressed regarding the guilt or innocence of any person or party.” Guilt is a decision reached by

<sup>1</sup>Unless you work for a law enforcement agency, be careful on assigning criteria. Law enforcement fraud examiners may discuss criteria like “theft by taking” or “material misstatements to a financial institution.” Non-law enforcement fraud examiners should use general categories like “material misstatements,” “misappropriated assets,” and “conflicts of interests,” which are substantiated by the facts.

the triers of fact, not the fraud examiner. However, based on the facts of the fraud examination, you can draw such general conclusions as “material misstatements,” “misappropriated assets,” and “conflicts of interests.”

#### V. Summary

Concisely summarize the results of the fraud examination.

#### VI. Recommendations

If appropriate, provide recommendations to prevent a recurrence of the fraud in the future (e.g., stronger internal controls).

### REFER TO SCHEDULES AND AUDIOVISUALS IN THE BODY OF THE REPORT

The report summarizes the fraud examination. While reading the report, the reader will need to review the underlying schedules, exhibits (e.g., documents), and audiovisuals that may be attached to and/or support the report. These help the reader understand the findings. Use a numbering or lettering system to direct the reader to the supporting items. For example, use:

Schedule I/II/III ... Schedule A/B/C ... Exhibit I/II/III ... Exhibit A/B/C ...  
Graph I/II/III ... Graph A/B/C ... Chart I/II/III ... Chart A/B/C ...

Consider using *italics* or **bold** fonts to emphasize the numbers or letters, so the reader can easily find the schedules, exhibits, and audiovisuals and toggle between the report and support.

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## SAMPLE REPORT

December 7, 2016

**TO: Jason Pickering, Esq.**  
**Assistant District Attorney**

**FROM: Henry K. Royston, CFE CPA**  
**Forensics Partners, LLC**

**RE: Earl K. Duncan**

**CASE: 16-023**

### BACKGROUND

Earl K. Duncan (“the principal”) owns and operates Duncan Investment Group, LLC (“DIG”), a small private investment firm located in Cedartown, Georgia,

which invests client monies “in emerging growth companies spanning the mid, small, and micro-cap markets.”

Between March 1, 2015, and March 12, 2016, the principal deposited approximately \$401,000 in funds from a number of individuals and a corporation into the DIG checking account. Some of these individuals said they invested monies with the principal, but did not receive authentic stock certificates. The funds were supposed to have been invested in “Ace Aero-Drones.”

## ISSUES TO BRING TO YOUR ATTENTION

DIG was organized on May 6, 2014, and terminated on November 3, 2014, and was organized a second time on July 15, 2016, and terminated a second time on November 21, 2016. These organizations and terminations were outside of the deposit period, March 1, 2015 to March 12, 2016.

DIG had only one debit card, which was issued to the principal.

## EXECUTIVE SUMMARY

We scheduled and analyzed bank statements, canceled checks, debit card transactions, fees, and deposits. When we did not recognize a payee, we researched the payee on the Internet. As a result, we found:

- None of the client’s \$401,000 in deposited checks were escrowed, or disbursed, for investments in Ace Aero-Drones Incorporated, or Ace Aero-Drones USA.
- Over \$225,000 of the disbursements were personal transactions, including 21 disbursements totaling \$23,699 paid to a strip club the day of or day after depositing investor checks.
- The principal and his wife used the DIG checking account as a personal, instead of a business, checking account (e.g., eating at restaurants, buying groceries and gasoline, and entertainment).
- There are no disbursements that indicate the principal withheld taxes from paychecks or made payments to the U.S. Department of the Treasury or Georgia Department of Revenue for income or employment taxes.

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Note: According to Secretary of State filing documents, Earl K. Duncan co-managed DIG with Harmon Grunion from around May 6, 2014, until around November 3, 2014, when DIG was terminated. On or around July 15, 2016, DIG was organized again by the principal, Joshua Johnson, and Herschel Pritchard. DIG was terminated again around November 21, 2016.

## DOCUMENTS REVIEWED

We reviewed the following documents:

- Monthly bank statements, canceled checks, and deposit slips drawn on the DIG account with the Bank of Cedartown (#2270 0049 9984) for the months of November 2014 through September 2016 (fraud examiner's note: the account opened on November 6, 2014, and closed on September 20, 2016).
- The defense attorney's notes of factual content.
- Organization and termination certificates from the Georgia Secretary of State.
- We requested income tax returns information for the principal and DIG; however, those have yet to be provided. Accordingly, those were not considered and the report will be modified when received.

## FRAUD EXAMINATION APPROACH/FINDINGS

### ***Over \$225,000 in Personal Expenses Paid from DIG Checking Account***

As summarized in *Schedule 1* and detailed in *Schedule 2*, we examined \$445,998.56 in disbursements (e.g., checks, debit card, and debit memorandum transactions). Over \$225,000 in disbursements was for personal expenses.

Below is a sample of the personal disbursements that we identified for the 24-month period, which is summarized by category, number of transactions identified, associated total dollars, and examples. Visit *Schedule 1* to view the full listing.

---

Restaurant	456	\$52,383.76	ARIA Silverstone Bar, Tybee Island Brewing, Hooter's, Roller's Lounge, Eden Forest Country Club, Stoney River, Subway, Wendy's
Strip Club	37	\$45,998.00	Strip T'Z Sports Grille (aka Striptease Atlanta)
Entertainment	74	\$36,291.50	Will Avants Golf, Sussex Billiards & Beer, West Point Lake, Garland Marine, Shipyard Golf Club, Cloverland Amusement

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(continued)

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Grocery	126	\$ 8,101.13	BI-LO, Kroger, Piggly Wiggly, Publix
Wine/Liquor	7	\$ 994.36	Hopkins Warehouse Liquor, Elegant Wine
Sex Items	3	\$ 370.96	Erotic Toys and More

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Fraud examiner's note: We identified a substantial number of transactions where charges could be of a personal nature (e.g., 73 transactions at Big Lots, BJ's, Costco, Home Depot, Lowe's, Target, Value City, and Walmart). However, we could not determine which purchases were business or personal because of the absence of receipts. Accordingly, none of those transactions were listed as personal, albeit many could be personal.

We identified disbursements to Phil Axelrod, a person with whom the principal indicated was associated. We found a March 6, 2016, wire transfer for \$75,000 to Phil Axelrod and a debit card disbursement for \$7,500 on May 18, 2016 to Axelrod Industries. According to the defense attorney's notes of factual content, Axelrod testified under oath that, "DIG sent \$75,000 to repay his personal for consulting services." The \$7,500 debit card transaction is the only charge over \$5,000 to the principal's (DIG's) debit card.

***Investor Checks Show as the Check Purpose Ace Aero-Drones***

*Schedule 3* lists all \$445,998.56 of the deposits from November 6, 2014, through September 20, 2016. *Schedule 4*, however, shows that the principal deposited a net of \$401,000 in checks into the DIG checking account from a number of persons during the period March 1, 2015, through March 12, 2016. In the memo section of four checks deposited during this period were the wording "Ace Aero-Drones Stock," "Ace Aero-Drones Plan," and "50 K Stock Ace Aero-Drones."

***No Evidence of Escrowing/Disbursing Funds for Ace Aero-Drones***

We found that none of the forementioned client deposits were escrowed or disbursed for investments in "Ace Aero-Drones," "Ace Aero-Drones Stock," or "Ace Aero-Drones Plan."

***Principal Visited Strip Clubs 21 Times after Depositing Investor Checks***

*Schedule 5* shows that the principal visited Striptease Club Atlanta (aka Strip TZ Sports Grille) ten (10) times on the day of and day after depositing \$35,000 from Marilyn K. Weaver (spending \$15,814), eight (8) times after depositing \$42,500 from Christopher K. Weaver and \$42,500 from Weaver Electronics, Inc. (spending \$4,331), and three (3) times after depositing \$105,000 from Christopher K. Weaver (spending \$3,554). In total, the principal spent \$23,699 on the 21 strip club disbursements shortly after depositing investor funds (Fraud examiners note: The principal spent \$45,998 on 32 strip club visits over the 24-month period examined).

***DIG Checking Account Used as a Personal Checking Account***

As shown in organization and termination certificates from the Georgia secretary of state and summarized in *Schedule 6*, DIG operated as a proprietorship (an unincorporated business owned and/or operated by a single person who is responsible for its debts and receives its profits or pays for its losses) from November 4, 2014, through July 14, 2016. Before and after those dates, DIG operated as a limited liability company. The deposits in questions were made during the period March 1, 2015, through March 12, 2016. Accordingly, DIG was a proprietorship operated by the principal during the time when monies were received from investors who wanted to invest in Ace Aero-Drones.

Although titled as a limited liability company, based on the actual disbursements (i.e., over \$225,000 in disbursements made for personal purposes by both the principal and his wife), the principal and his wife used the DIG checking account as if it were a personal, instead of a business, checking account. Normally, business checking accounts are kept separate from personal checking accounts and (1) owners remove monies from the business checking account by writing paychecks or draws from their capital accounts and (2) depositing those paychecks or draws from their capital accounts into separate personal checking accounts.

Additionally, there were a number of checks where the memo indicated “paycheck”; but, the paycheck amounts were in rounded numbers (e.g., \$3,000.00 made payable to Rena Rodriguez on March 5, 2016, and \$1,600.00 made payable to Roger Ferguson on May 16, 2016), and there

is no evidence of withholding taxes or payments to the U.S. Department of the Treasury, Internal Revenue Service, or Georgia Department of Revenue taxing authorities. Businesses that employ persons are required to withhold and pay income and social security taxes unless the persons are independent contractors.

### **SUMMARY REMARKS**

We reviewed the documentation associated with \$445,998.56 in disbursements and \$445,998.56 in deposits. Over \$225,000 of the disbursements were personal. The principal spent \$23,699 for the 21 strip club disbursements the day of or day after receiving investor funds. DIG received \$401,000 in funds from investors and a number of the deposited checks were for “Ace Aero-Drones Stock,” and “Ace Aero-Drones Plan” and “50 K Stock Ace Aero-Drones”; however, no authentic stock certificates were provided. Despite the checking account being labeled as an LLC the principal operated it as a personal checking account rather than a business checking account. The principal paid taxable wages; however, we saw no evidence of withholding taxes or payments to the U.S. Department of the Treasury, Internal Revenue Service, or Georgia Department of Revenue taxing authorities.

Should you have any questions or require additional information, please contact me by email at [hroyston@forensicpartners.com](mailto:hroyston@forensicpartners.com).

Sincerely,  
Henry K. Royston, CFE CPA

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## **6-2 FORMATTING SCHEDULES FOR INCLUSION WITH REPORTS**

### **Learning Objective**

After reading this summary, you should learn how to format schedules for inclusions with fraud examination reports.

### **Fraud Examination Schedules**

As with reports, each organization has its format for schedules and those schedule formats often appear similar to schedule formats used in audit reports.

Below are expected formatting requirements:

I. Numbering/Lettering System

Prominently show a number or letter at the top of the schedule. This numbering or lettering system directs the reader back to the narrative found in the fraud examination report. For example, use:

*Schedule I/II/III... Schedule A/B/C... Exhibit I/II/III... Exhibit A/B/C... Graph I/II/III... Graph A/B/C... Chart I/II/III... Chart A/B/C...*

II. Use a Summary or Lead Schedule to Provide an Overview of the Various Detailed Schedules

Even in simple fraud examinations, there are often two or more detailed schedules. Use a summary or lead schedule to give a quick simplified overview of the various detailed schedules and refer the reader to the more detailed schedules. Following is a sample summary schedule with references to the detailed schedules.

**USE SUMMARY OR  
LEAD SCHEDULE**

Description	Amount of Loss	Reference
Irregular checks	\$7,895	<i>Schedule 3</i>
Unauthorized ATM usage	5,000	<i>Schedule 4</i>
Unauhorized credit card usage	14,500	<i>Schedule 5</i>
Gross loss	\$27,395	
Less: recovery through withheld payroll	3,515	
Loss net of recovery	\$23,880	

**REFERENCE  
DETAILS**

III. Use the Orientation, Margins, and Scaling Functions

Schedules can be too small or too large or too wide to be effectively reviewed on a single page or pages. The most common problem involves

being too wide (i.e., too many columns or too many columns that are set too wide). Use the orientation, margins, and scaling functions in Print Preview to correct these problems.

Below is a schedule that is too wide and if printed requires the reader to use Scotch Tape to piece them together.

DO NOT SPLIT SCHEDULE INTO TWO PAGES. READER SHOULD NOT HAVE TO USE SCOTCH TAPE

**2013, 2014, 2015 Income Statement**  
**Piggly Wiggly of Yabor City, Inc.**  
**Source: IRS Schedules C**

PAGE 1

PAGE 2

	From Schedules C						Schedule 1	Estimated Inventory
	2013	%	2014	%	2015	%	2015	%
	<b>Gross receipts</b>	\$320,000	100%	\$350,000	100%	\$300,000	100%	\$326,600
Beginning inventory	90,000	28%	95,000	27%	99,000	33%	96,305	29%
Purchases	250,000	78%	275,000	79%	235,000	78%	245,254	75%
Ending inventory	95,000	30%	271,000	77%	145,000	48%	<b>91,183</b>	28%
<b>Cost of goods sold</b>	\$245,000	77%	\$271,000	77%	\$189,000	63%	<b>\$250,376</b>	77%
<b>Gross profit</b>	\$75,000	23%	\$79,000	23%	\$111,000	37%	<b>\$76,223</b>	23%
Advertising	764	0%	863	0%	1,009	0%	1,009	0%
Car & truck expenses	5,275	2%	5,346	2%	5,988	2%	5,988	2%
Insurance	2,786	1%	2,969	1%	4,009	1%	4,009	1%
Interest - other	134	0%	1,276	0%	1,783	1%	1,783	1%
Legal & professional	750	0%	750	0%	14,350	5%	14,350	4%
Office	366	0%	578	0%	457	0%	457	0%
Rent	10,800	3%	10,800	3%	10,800	4%	10,800	3%
Repairs	897	0%	1,105	0%	1,237	0%	1,237	0%
Supplies	1,471	0%	1,678	0%	1,787	1%	1,787	1%
Taxes & licenses	1,799	1%	1,895	1%	1,496	0%	1,496	0%
Utilities	3,677	1%	3,901	1%	4,907	2%	4,907	2%
Wages	3,789	1%	3,987	1%	1,789	1%	1,789	1%
<b>Total expenses</b>	\$32,508	10%	\$35,148	10%	\$49,612	17%	\$49,612	15%
<b>Net profit/loss</b>	\$45,107	14%	\$49,313	14%	\$70,256	23%	<b>\$26,611</b>	8%
							<b>70,256</b>	
							<b>\$43,644</b>	

Switch the orientation from Portrait to Landscape and then use Custom Scaling Options to adjust the scaling down to a smaller size. Following is the same schedule in Landscape Orientation and 85 percent size. The reader does not have to use tape.

SWITCH FROM PORTRAIT TO  
LANDSCAPE ORIENTATION AND  
USE CUSTOM SCALING TO SHRINK

**2013, 2014, 2015 Income Statement**

**Piggly Wiggly of Yabor City, Inc.**

**Source: IRS Schedules C**

**Schedule 1**

	From Schedules C						Estimated Ending Inventory	
	2013	%	2014	%	2015	%	2015	%
<b>Gross receipts</b>	\$320,000	100%	\$350,000	100%	\$300,000	100%	\$326,600	100%
Beginning inventory	90,000	28%	95,000	27%	99,000	33%	96,305	29%
Purchases	250,000	78%	275,000	79%	235,000	78%	245,254	75%
Ending inventory	95,000	30%	271,000	77%	145,000	48%	<b>91,183</b>	28%
<b>Cost of goods sold</b>	\$245,000	77%	\$271,000	77%	\$189,000	63%	<b>\$250,376</b>	77%
<b>Gross profit</b>	\$75,000	23%	\$79,000	23%	\$111,000	37%	<b>\$76,223</b>	23%
Advertising	764	0%	863	0%	1,009	0%	1,009	0%
Car & truck expenses	5,275	2%	5,346	2%	5,988	2%	5,988	2%
Insurance	2,786	1%	2,969	1%	4,009	1%	4,009	1%
Interest - other	134	0%	1,276	0%	1,783	1%	1,783	1%
Legal & professional	750	0%	750	0%	14,350	5%	14,350	4%
Office	366	0%	578	0%	457	0%	457	0%
Rent	10,800	3%	10,800	3%	10,800	4%	10,800	3%
Repairs	897	0%	1,105	0%	1,237	0%	1,237	0%
Supplies	1,471	0%	1,678	0%	1,787	1%	1,787	1%
Taxes & licenses	1,799	1%	1,895	1%	1,496	0%	1,496	0%
Utilities	3,677	1%	3,901	1%	4,907	2%	4,907	2%
Wages	3,789	1%	3,987	1%	1,789	1%	1,789	1%
<b>Total expenses</b>	\$32,508	10%	\$35,148	10%	\$49,612	17%	\$49,612	15%
<b>Net profit/loss</b>	\$45,107	14%	\$49,313	14%	\$70,256	23%	<b>\$26,611</b>	8%
							<b>70,256</b>	
							<b>Estimated overstatement of in ventory and net income</b>	<b>\$43,644</b>

The same formatting applies to pictures, charts, graphs, photographs, and so on. Following is a picture of the front and back of a canceled check.

		64-777/611	<b>7042</b>
<b>Hoggly Woggly of Jasper, LLC</b> Jasper, GA	DATE	<u>3/31/2016</u>	
PAY TO THE ORDER OF	<u>Hoggly Woggly of Georgia</u>		\$1,500.00
	<u>One thousand five hundred and 00/100</u>		DOLLARS
<b>FIRST BANK OF JASPER</b>			
Jasper, GA 30143			
FOR	<u>Wadeus E. Duncan</u>		
R			
<b>:062110777</b>	<b>:00988181</b>	<b>7042</b>	<b>:0000150000</b>

Hoggly Woggly of Jasper <i>Betha Garnett</i>	<u>Do Not Write Below This Line</u>	Mar 0331 - 40924409	Sharptop Bank First Bank of Jasper
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### 6-3 HOW TO SIMPLIFY THE COMPLEX WITH AUDIOVISUALS

#### Learning Objective

After reading this synopsis, you should have a better idea about:

1. The types of audiovisuals available to simplify the information found during your fraud examination.
2. How to enhance and script your expert testimony with audiovisuals.

The following is based on an article written by William H. Beecken entitled “Enhance Your Expert Testimony with Audio-Visuals,” which appeared in *The White Paper*, the Association of Certified Fraud Examiners (ACFE), January–February 1992.

## Introduction

Because fraud examiners work with a multitude of information during their investigations, they have the potential of being among the most important witnesses in an arbitration, hearing, or trial. However, like most expert witnesses, they possess so much information that they also have the potential to confuse or bore the triers of fact (judge, jury, or arbitrator). Unless trained, expert witnesses often resort to using technical jargon, speaking in monotone voices, not effectively controlling their bodies, eyes, and voices during testimony, and wanting to convey voluminous amounts of complex financial information using accounting schedules. All of these have the potential of losing, instead of informing, the triers of fact.

To overcome the pitfalls and be a more effective expert witness, fraud examiners should consider using audiovisuals during their testimony. Through careful preparation of audiovisuals, fraud examiners will:

1. Force themselves to use simplified terminology.
2. Script their direct testimony.
3. Provide prompts for the timing of vocal emphasis and on items that should be highlighted.
4. Focus the eyes of the triers of facts onto the documents that the fraud examiner and his attorney feel are most important.
5. Summarize the most important findings of the fraud examination that the triers of fact will use during deliberations.

A major portion of the population is visual, auditory, or kinesthetic (touch) learners, or some combination thereof. The highest percentage of learners absorbs information best when both see and hear that information. Accordingly, verbal testimony (auditory) augmented by audiovisuals (visual) both increases the absorption of the facts and supports the expert's opinion.

With well-conceived audiovisuals, the triers of fact will pay closer attention, better understand the complexities of the fraud examiner's conclusion, and better remember the fraud examiner's testimony during deliberations.

Confusion is the weapon of the opposing attorney. This is particularly true when the fact finders are juries made up of uneducated peers. In financially oriented cases, opposing attorneys routinely try to exclude persons with financial backgrounds from the jury during the selection process. However, as the adage goes, "Pictures are worth a thousand words." With today's computers,

cameras, and video camcorders, the fraud examiner can quickly enhance and simplify their testimony with simplified audiovisuals that graphically convey the core ideas of their findings.

### Using the Correct Chart/Diagram/Visual Analysis

The five most commonly used types of accounting audiovisuals are line charts, bar charts, pie charts, diagrams, and text charts. What many users do not understand is which audiovisual best conveys certain kinds of information.

1. Text charts convey words, phrases, and sentences representing discreet information (e.g., overview of a presentation or demonstration).
2. Line charts best depict changes over time (e.g., increases or decreases in income statement items over several accounting periods).
3. Bar charts best compare differences in size or components at various points in time (e.g., balance sheet totals).
4. Pie charts compare parts of a whole at one point in time (e.g., composition of material misstatements).
5. Diagrams illustrate structures (e.g., organizational charts), procedures (e.g., disbursement cycle flowchart), or movement (e.g., movement of checks in a check kite).

### Design Principles for Charts and Graphs

Once the most applicable type of audiovisual is chosen, the following design principles should be observed:

1. *Simplicity*. Follow the KISS (Keep It Simple, Stupid) theory. Focus the viewer's attention on as few attributes, titles, and colors as possible. Provide as much white (open) space as possible. If done properly, the viewer can quickly grasp and readily retain the point being made. Concentrate your presentation on the least common denominator (i.e., the arbitrator, judge, or juror who has trouble balancing his/her checkbook). If needed, use a *series* of simple graphs to convey several related attributes or use consolidating techniques (e.g., averaging data from several time periods) to simplify your presentation.
2. *Balance*. Visually balance the colors and shapes in the audiovisual. Dark, solid, and eye-catching colors should be strategically placed to avoid visually tipping the audiovisual in the wrong direction.

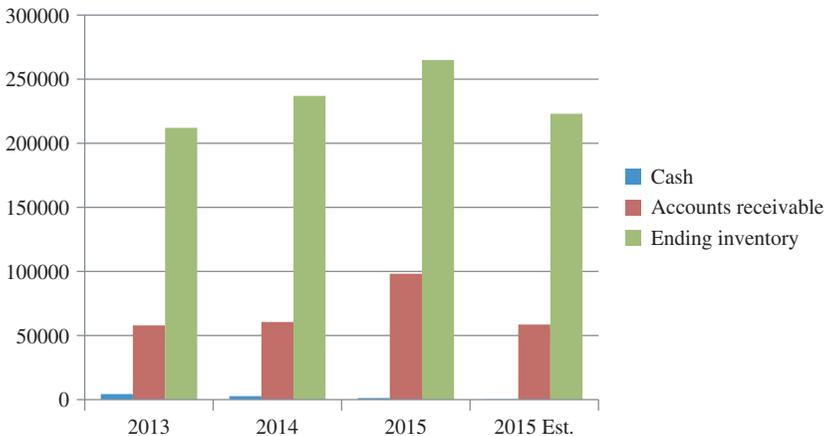
3. *Consistency.* When using a series of related charts or graphs, use the same lettering font and style of audiovisual. Consistency adds an unseen professionalism to the entire expert testimony. Obvious errors or inconsistencies subtract from the information being conveyed.
4. *Lettering.* A combination of upper- and lowercase letters works better than using all uppercase letters. Save the use of all uppercase letters for emphasis. For additional emphasis, use, but do not overuse, italics, shadowing, boldfacing, underlining, or some combination thereof.
5. *Coloring.* AVOID USING OFFENSIVE COLORS! Opposing counsel have persuaded judges that using “red” for net losses or “green” for money is more “prejudicial than probative.” As a result, judges have made last-minute decisions precluding experts from using graphs and charts with these “prejudicial” colors. Do not find out that your audiovisual aid is unusable just before or during your testimony. A black and white schedule might suffice and avoid being rejected by the judge.

## Examples

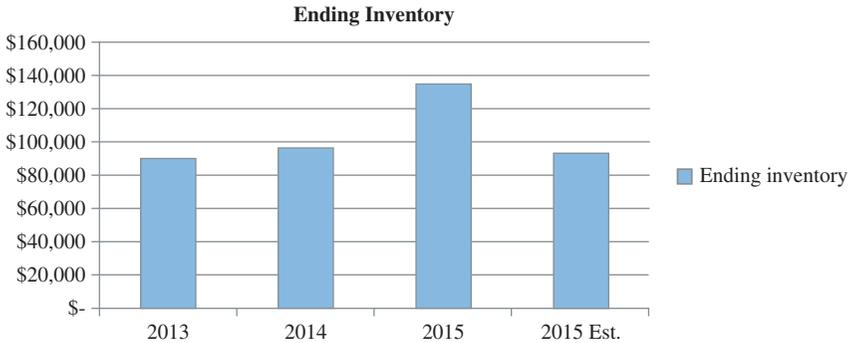
### Bar Chart

The bar chart is one of the most used audiovisuals. Following is an example of confusing, good, and better bar charts.

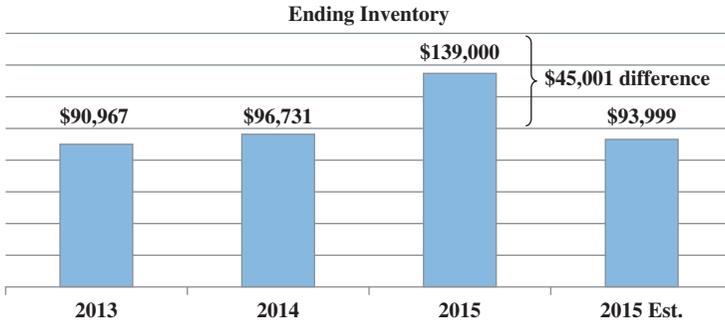
*Confusing.* Too many data points. Use three graphs instead of one graph.



*Better.* Show a comparison of only one data point (e.g., ending inventory).



*Best.* Show a comparison of only one account (e.g., ending inventory); but, enhance the labels; add a comparative bracket and the amount of the difference between what was reported and the estimated actual ending inventory.



Below are a number of examples of good audiovisuals.

*Document Audiovisual*

A document video shows and highlights material misstatements. Make a screen shot of the document; add a descriptive label; and highlight material misstatements. For example:

**\$39,897 per vendor summary**

**\$37,324 per vendor summary**

### Multiple Document Comparison

Make a screen shot of the two or more related documents; add a descriptive label; and highlight the material misstatements in the two documents.

ANDERSON INTERNAL MEDICINE, LLC  
Lawrenceville, GA

DATE: 3/31/2016

PAY TO THE ORDER OF: Riteway Pharmaceuticals \$1,500.00  
One thousand five hundred and ---- no/100 Dollars

BANK OF LAWRENCEVILLE  
Lawrenceville, GA 33042

FOR: Jennifer L. Anderson

:062110777 :00701818 1042 :0000150000

Riteway Pharmaceuticals

Tanya Larsen

Do Not Write Below This Line

REFLECTED Mar 03 11 Apr 00 04 - 4092409

Sharnock Bank  
Bank of Lawrenceville

Larsen Second Endorsement Shows She Received Funds

**CASH DISBURSEMENTS JOURNAL**

DATE	PAID TO	CHECK	T.B.	DEBIT	CREDIT
3/31	Pharmaceuticals		51	1,500.00	
	Cash	1042	11		1,500.00
	Paid to Riteway Pharmaceuticals				

### Descriptive Chart

Occasionally you need to explain a process, accounting, or concept. Following is a chart explaining gross profit.

<b>WHAT IS GROSS PROFIT – ONE ITEM?</b>	
<b>Sell Refrigerator (at Retail)</b>	
(GROSS RECEIPTS)	\$1,000
<b>Remove Refrigerator from Inventory (at Cost)</b>	
(COST OF GOODS SOLD)	\$600
	_____
<b>Profit from Sale</b>	
(GROSS PROFIT)	\$400

### *Flowchart—Follow the Money (Loan Proceeds)*

Occasionally, you have money that is moved around between accounts at *different* financial institutions, particularly when money is being laundered. Instead of several accounting schedules (one for each institution), which can confuse attorneys, judges, and juries, a single picture quickly provides an overview of the movement of money. Like other audiovisuals, once it is moved into evidence, the audiovisual goes with the judge or jury for deliberations. It represents what you want the triers of fact to remember most. See example on page 111.

### *Flowchart—Follow the Money (Deposits and Withdrawals)*

Similarly, you may track money as it moves around the *same* financial institution but in different cities. If you also have the cell phone records (via consent or using a subpoena), those records may be incorporated into the flowchart. Following is an audiovisual that tracks money inside the same bank over a two-day period. The bank statements record a cash deposit by an accomplice in one city and cash withdrawals in another distance city on the same day, followed by debit card transactions, probably purchasing big-box store stored money cards. The cell phone records the coordination between the accomplice in one state and owner of the bank account in another state. See the flowchart example on page 112.

NOTE: SMITH PERSONAL ACCOUNT

LOAN CHECKS - Marietta Bank A/C 3970188		
Date	Amount	Payee
01/28/17	\$ 36,000.00	Harmon Smith
01/28/17	1,045.80	North Marietta Escrow
01/28/17	500.00	Loan Fee
01/28/17	430.07	Cobb County Tax Commissioner
	<u>\$ 37,975.87</u>	<b>Total Disbursements</b>

PERSONAL CHECKS - Marietta Bank A/C 7768014		
Date	Amount	Payee
01/29/17	\$ 11,959.00	Jobber's Gasoline
01/29/17	1,041.00	Speaker's Bureau
01/29/17	<u>36,000.00</u>	Smith's Self-Storage
	<u>\$ 49,000.00</u>	<b>Total of Deposit and Disbursements</b>

NOTE: SMITH BUSINESS ACCOUNT

BUSINESS CHECKS - Bank of Gilmer County A/C 188144477		
Date	Amount	Payee
01/30/17	\$ 7,000.00	ABC Construction
01/30/17	10,578.67	Payoff loan on mausoleum
01/30/17	7,324.23	Payoff mortgage arrearage
01/31/17	3,500.00	Cash - Harmon Smith endorsement
01/31/17	3,246.00	Hacker Wholesale
01/31/17	1,440.00	Magnet House of Fun
01/31/17	3,273.00	Carribbean Resort
	<u>\$ 36,361.90</u>	<b>Total of Disbursements - FIFO Method</b>

October 18, 2016		October 19, 2016	
Text Messages Sweat's Cellphone	BOL: 78810400 Phil Hall	BOL: 78810400 Phil Hall	BOL: 78810400 Phil Hall
<b>Hall</b>	Loc: Canton, GA	Loc: Birmingham, AL	Loc: Birmingham, AL
11:53 AM "There yet" →	<b>Sweat</b>		
	11:56 AM ← "Shortly"		
<b>Hurdmen</b>			
11:30 PM "Kk" →	<b>Sweat</b>		
12:15 PM "Somethin stopping U" →	<b>Sweat</b>		
12:16 PM "Don't use same branch used yesterday" →	<b>Sweat</b>		
	12:37 PM ← "Hold Ur horses"		
<b>Hall</b>	<b>DEPOSIT</b> \$12,500.00 Cash Deposit, Canton, GA	<b>WITHDRAWAL</b> \$5,000.00 Cash Withdrawal Birm BR 003	<b>WITHDRAWAL</b> \$945.00 POS Purchase - Gmart #2 - Hoover, AL
12:37 PM "Smucks around" →	<b>Sweat</b>	<b>WITHDRAWAL</b> \$1,000.00 Cash Withdrawal Birm BR 001	<b>WITHDRAWAL</b> \$945.00 POS Purchase - Gmart #3 - Mt Brook, AL
12:37 PM "Can't talk" →	<b>Sweat</b>	<b>WITHDRAWAL</b> \$1,500.00 Cash Withdrawal Birm BR 011	<b>WITHDRAWAL</b> \$945.00 POS Purchase - GMart #1 - Birm., AL
	12:37 PM ← "kk"		
<b>Hall</b>			
	12:35 PM ← "Done"		
<b>Hall</b>			
	12:35 PM ← "\$12500"		
<b>Hall</b>			

*Summary Testimony*

Often, a summary listing focuses the expert witness’s testimony and provides the attorney a document for your direct examination or the attorney’s closing arguments. It represents what you want the triers of fact to remember most.

**GOOD SUMMARY**

**DONNIE’S BURGERHUT INDICATORS OF INSOLVENCY**

- THREE CONSECUTIVE NET LOSSES FOR YEARS 2013–2015
- NET LOSS OF \$107,183 IN THE FINAL FOUR MONTHS OF OPERATION
- 79 NSF CHARGES IN THE LAST 18 MONTHS
- DEFAULT ON LINE OF CREDIT
- THREE REJECTIONS FOR NEW LOANS
- FREQUENT CHECK KITING BETWEEN BUSINESS AND PERSONAL CHECKING ACCOUNTS

**BETTER SUMMARY**

**DONNIE’S BURGERHUT INDICATORS OF INSOLVENCY**

- *Three consecutive net losses* for the years 2013–2015
- *Net loss of \$107,183* in the final four months of operation
- *79 NSF charges* in the last 18 months
- *Default on line of credit*
- *Three rejections for new loans*
- *Frequent check kiting* between business and personal checking accounts

# 7

## Documents

### 7-1 CASE 1: FRAUDULENT FINANCIAL STATEMENTS (LARSEN CONVENIENCE STORE)

#### **Recorded Interview on January 2, 2016**

**Location: Parking Lot of Larsen Convenience, Canton, Georgia**

**Participants: Gregory Larsen, owner of Larsen Convenience**

**SIU Special Agents Collins and Hawkins**

Collins Mr. Larsen, I am Special Agent Tom Collins and this is Special Agent Rodney Hawkins. We are with Southern Appalachian Insurance Company. Here is a copy of my business card.

Larsen What is this about?

Collins We are making an inquiry into the fire at your store two days ago. May we ask a few questions and record our conversation?

Larsen Sure, I've nothing to hide.

Collins That would be great. We need your assistance in determining the cause of the fire. It will help expedite your claim.

Larsen Great! I need the money and want to get back into business as soon as possible.

Collins As I understand it, the fire was called in around midnight on the 31<sup>st</sup>.

- Larsen That's what I'm told.
- Collins The cause and origin guys ruled out acts of nature and mechanical and electrical causes and sources of the fire. The arson dog alerted on numerous spots inside the store and the Fire Marshal took samples to the GBI State Crime Lab. Do you have any idea of who would have wanted to burn your business?
- Larsen What do you mean, like a customer?
- Collins Customer, relative, neighbor, anyone.
- Larsen A customer came to the store on the 31<sup>st</sup>. He was drunk and got irate when I wouldn't sell him a case of beer.
- Collins Tell me more. Did you know him? What did he look like? What were you doing?
- Larsen I was getting ready to close for the night. The phone was ringing. The front door was locked. I never saw him before. You know, you try to remember all customers, but sometimes you're busy and just can't remember. I think he was big, about six feet six tall, 350 pounds, and had a beard. The room smelled like alcohol and body odor. He went to the cooler and grabbed a case of beer. All hell broke loose when he couldn't buy beer. No one wants to lose their liquor license. Cops are everywhere. The guy went nuts and threatened to burn down the store. What would you do?
- Collins What kind of car did he drive? Did you get a license plate number?
- Larsen I didn't check. Would you stick your neck out?
- Collins Was your business doing well?
- Larsen Great! Best year ever. I just increased my inventory to cover higher sales. Things were going gangbusters. I was thinking of opening a second store over by the new shopping center. The traffic has quadrupled over there.
- Collins Back to possible suspects. Know anyone else?
- Larsen My wife's family hates me. Her nephew got angry over money. I jumped into my truck, backed up in a hurry, and accidentally killed him. The bastards won't let me forget it.
- Collins Anyone mad enough to burn your business.
- Larsen His father is a hothead and a big drinker. He came into the store once and turned over my shelving. Took me hours to get everything straight.
- Collins When did you last see him?
- Larsen I avoid him like the plague. Won't you?
- Collins Do you have his name and address? We will need to visit him.
- Larsen I'll get that for you. I would love it if he was the torch.
- Collins Thanks for your cooperation. We'll be back in touch. Let us know if you think of anything else.

## Authorization for Release of Financial Records

TO: Custodian of Records

RE: Fire loss at Larsen Convenience Store, Canton, GA

DATE OF BIRTH: October 26, 1987

SOCIAL SECURITY NUMBER: 800-98-1234

You are hereby authorized to furnish to the law firm of Hendrick & Poole, and their duly authorized representatives, copies of any and all information they may request concerning any personal or business financial records, including but not limited to, salaries, bonuses, commissions, allowances, travel expenses, stocks, investments, retirement and pension plans, stock ownership or option plans, pay deferral or provident funds, defined contribution plans, other employee benefit plans, incentive plans, termination benefits, mutual funds, growth funds, life insurance policies, bank accounts, credit union accounts, savings accounts, money market accounts, certificates of deposit, installment loans, mortgage loans, personal loans, signature loans, any other direct indebtedness or obligation incurred by me or on my behalf, any indirect indebtedness or obligation incurred by me or on my behalf (including, but not limited to, any indebtedness or obligation for which I am a co-borrower, guarantor, or surety), savings plans, 401(k) accounts, and Individual Retirement Accounts in which I may have or had an interest, or other information in your possession regarding me, relating to:

Gregory H. Larsen, Tonya V. Larsen, Larsen Convenience Store

This authorization shall constitute valid authorization for the firm of Hendrick & Poole to inspect all such items set forth above, and to copy, and to request and receive copies, including certified copies, thereof from you.

This authorization is valid until you receive written revocation. A copy of this authorization shall be sufficient and as good as the original, and permission is hereby granted to honor a photostatic copy of this authorization.

Signed at Atlanta, Georgia, this 18<sup>th</sup> day of February, 20 16.

*Gregory H. Larsen*

Signature of Insured

Gregory H. Larsen

Typed Name of Insured

POLICY NUMBER: 15-321654-L

\$425,000.00  
POLICY AMT. AT TIME OF LOSS

\$ 12/28/2015  
DATE ISSUED

12/27/2016  
DATE EXPIRES

### Sworn Statement

COMPANY CLAIM NUMBER: ATL-2136-BUS

Roger Reeves  
AGENT

1234 Riverstone Pkwy, Canton, GA  
AGENCY AT

## IN PROOF OF LOSS

To the [INSURANCE COMPANY NAME] Southern Appalachian Insurance

of Atlanta [CITY STATE] Georgia

At time of loss, by the above indicated policy of insurance you insured-

contents, leasehold improvements, and equipment at store located at 1789 Hwy. 53, Canton, Georgia

against loss by to the property described according to the terms and conditions of said policy and of all forms, endorsements, transfers and assignments attached thereto.

TIME AND ORIGIN A fire loss occurred about the hour of 12 o'clock AM/PM, on the 31st day of December, 2015.  
The cause and origin of the said loss were: unknown

OCCUPANCY The building described, or containing the property described, was occupied at the time of the loss as follows, and for no other purpose whatever: convenience store

TITLE AND CHANGES At the time of the loss, the interest of your insured in the property described therein was 100% INTEREST of the contents, leaseholds improvements, and equipments. No other person or persons had any interest therein or encumbrance thereon, except: N/A  
Since the said policy was issued, there has been no assignment thereof, or change of interest, use, occupancy, possession, location or exposure of the property described, except

TOTAL THE TOTAL AMOUNT OF INSURANCE upon the property described by this policy was, at the time of the loss, \$ 425,000, as more particularly specified in the apportionment attached, besides which there was no policy or other contract of insurance, written or oral, valid or invalid.

VALUE THE ACTUAL CASH VALUE of said property at the time of the loss was \$ 349,925

LOSS THE WHOLE LOSS AND DAMAGE was . contents, leasehold improvements, equipment. \$ 349,925

AMT. CLAIMED THE AMOUNT CLAIMED under the above numbered policy number is \$ 349,925

STATEMENTS OF INSURED The said loss did not originate by any act, design or procurement on the part of your insured, or this affiant; nothing has done by or with the privity or consent of your insured or this affiant, to violate the conditions of the policy, or render it void; no articles are mentioned herein or in annexed schedules but such as were destroyed or damaged at the time of said loss; no property saved has in any manner been concealed, and no attempt to deceive the said company, as to the extent of said loss, has in any manner been made. Any other information that may be required will be furnished and considered a part of this proof.

The furnishing of this blank or the preparation of proofs by a representative of the above insurance company is not a waiver of any of its rights.

State Of Georgia Insured: Gregory H. Larsen

County Of Cherokee Insured:

Subscribed and sworn to before me this 18th day of March, 2016

Personally Known to Me  
I.D. #76-123456 Notary: Dorothy Hendrix

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD OR DECEIVE ANY INSURANCE COMPANY FILES A STATEMENT OF CLAIM CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION IS GUILTY OF A FELONY OF THE THIRD DEGREE.

Form **1040** Department of the Treasury—Internal Revenue Service (99) **2013** U.S. Individual Income Tax Return OMB No. 1545-0074 IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2013, or other tax year beginning . . . , 2013, ending . . . , 20 . . . See separate instructions.

Your first name and initial: **Gregory H** Last name: **Larsen** Your social security number: **800-98-1234**

If a joint return, spouse's first name and initial: Last name: Spouse's social security number: **800-76-9876**

Home address (number and street), if you have a P.O. box, see instructions. Apt. no. **▲** Make sure the SSN(s) above and on line 6c are correct.

**213 Underwood Street**

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions). Presidential Election Campaign Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund.  You  Spouse

**Canton GA 30115**

Foreign country name Foreign province/state/country Foreign postal code

**Filing Status**

1  Single 4  Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here. ▶

2  Married filing jointly (even if only one had income) 5  Qualifying widow(er) with dependent child

3  Married filing separately. Enter spouse's SSN above and full name here. ▶

Check only one box.

**Exemptions**

6a  Yourself. If someone can claim you as a dependent, do not check box 6a . . . . . } Boxes checked on 6a and 6b **2**

b  Spouse . . . . . } No. of children on 6c who: + lived with you + did not live with you due to divorce or separation (see instructions) Dependents on 6c not entered above Add numbers on lines above **2**

(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> If child under age 17 qualifying for child tax credit (see instructions)
				<input type="checkbox"/>

If more than four dependents, see instructions and check here

d Total number of exemptions claimed . . . . .

**Income**

7	Wages, salaries, tips, etc. Attach Form(s) W-2 . . . . .	7	30,000.
8a	Taxable interest. Attach Schedule B if required . . . . .	8a	173.
	b Tax-exempt interest. Do not include on line 8a . . . . .	8b	
9a	Ordinary dividends. Attach Schedule B if required . . . . .	9a	
	b Qualified dividends . . . . .	9b	
10	Taxable refunds, credits, or offsets of state and local income taxes . . . . .	10	
11	Alimony received . . . . .	11	
12	Business income or (loss). Attach Schedule C or C-EZ . . . . .	12	59,570.
13	Capital gain or (loss). Attach Schedule D if required. If not required, check here <input type="checkbox"/> . . . . .	13	
14	Other gains or (losses). Attach Form 4797 . . . . .	14	
15a	IRA distributions . . . . .	15a	
	b Taxable amount . . . . .	15b	
16a	Pensions and annuities . . . . .	16a	
	b Taxable amount . . . . .	16b	
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E . . . . .	17	
18	Farm income or (loss). Attach Schedule F . . . . .	18	
19	Unemployment compensation . . . . .	19	
20a	Social security benefits . . . . .	20a	
	b Taxable amount . . . . .	20b	
21	Other income. List type and amount . . . . .	21	
22	Combine the amounts in the far right column for lines 7 through 21. This is your total income ▶	22	89,743.

**Adjusted Gross Income**

23	Educator expenses . . . . .	23	
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ . . . . .	24	
25	Health savings account deduction. Attach Form 8889 . . . . .	25	
26	Moving expenses. Attach Form 3903 . . . . .	26	
27	Deductible part of self-employment tax. Attach Schedule SE . . . . .	27	4,209.
28	Self-employed SEP, SIMPLE, and qualified plans . . . . .	28	
29	Self-employed health insurance deduction . . . . .	29	
30	Penalty on early withdrawal of savings . . . . .	30	
31a	Alimony paid b Recipient's SSN ▶	31a	
32	IRA deduction . . . . .	32	
33	Student loan interest deduction . . . . .	33	
34	Tuition and fees. Attach Form 8917 . . . . .	34	
35	Domestic production activities deduction. Attach Form 8903 . . . . .	35	
36	Add lines 23 through 35 . . . . .	36	4,209.
37	Subtract line 36 from line 22. This is your adjusted gross income ▶	37	85,534.

<b>Tax and Credits</b>		<b>38</b>	Amount from line 37 (adjusted gross income)	<b>38</b>	85,534
<b>39a</b>		Check <input type="checkbox"/> <b>You</b> were born before January 2, 1949, <input type="checkbox"/> <b>Blind.</b> <b>Total boxes</b>			
		if: <input type="checkbox"/> <b>Spouse</b> was born before January 2, 1949, <input type="checkbox"/> <b>Blind.</b> checked <b>▶ 39a</b>			
<b>b</b>		If your spouse itemizes on a separate return or you were a dual-status alien, check here <b>▶ 39b</b>			
<b>Standard Deduction for—</b> • People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions. • All others: Single or Married filing separately, \$6,100 Married filing jointly or Qualifying widow(er), \$12,200 Head of household, \$8,950	<b>40</b>	<b>Itemized deductions</b> (from Schedule A) or your <b>standard deduction</b> (see left margin)		<b>40</b>	12,200
	<b>41</b>	Subtract line 40 from line 38		<b>41</b>	73,334
	<b>42</b>	<b>Exemptions.</b> If line 38 is \$150,000 or less, multiply \$3,900 by the number on line 6d. Otherwise, see instructions		<b>42</b>	7,800
	<b>43</b>	<b>Taxable income.</b> Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-		<b>43</b>	65,534
	<b>44</b>	<b>Tax</b> (see instructions). Check if any from: <b>a</b> <input type="checkbox"/> Form(s) 8814 <b>b</b> <input type="checkbox"/> Form 4972 <b>c</b> <input type="checkbox"/>		<b>44</b>	8,936
	<b>45</b>	<b>Alternative minimum tax</b> (see instructions). Attach Form 6251		<b>45</b>	
	<b>46</b>	Add lines 44 and 45		<b>46</b>	8,936
	<b>47</b>	Foreign tax credit. Attach Form 1116 if required		<b>47</b>	
	<b>48</b>	Credit for child and dependent care expenses. Attach Form 2441		<b>48</b>	
	<b>49</b>	Education credits from Form 8863, line 19		<b>49</b>	
	<b>50</b>	Retirement savings contributions credit. Attach Form 8880		<b>50</b>	
	<b>51</b>	Child tax credit. Attach Schedule 8812, if required		<b>51</b>	
	<b>52</b>	Residential energy credits. Attach Form 5695		<b>52</b>	
	<b>53</b>	Other credits from Form: <b>a</b> <input type="checkbox"/> 3800 <b>b</b> <input type="checkbox"/> 8801 <b>c</b> <input type="checkbox"/>		<b>53</b>	
	<b>54</b>	Add lines 47 through 53. These are your <b>total credits</b>		<b>54</b>	
<b>55</b>	Subtract line 54 from line 46. If line 54 is more than line 46, enter -0-		<b>55</b>	8,936	
<b>Other Taxes</b>	<b>56</b>	Self-employment tax. Attach Schedule SE		<b>56</b>	8,417
	<b>57</b>	Unreported social security and Medicare tax from Form: <b>a</b> <input type="checkbox"/> 4137 <b>b</b> <input type="checkbox"/> 8919		<b>57</b>	
	<b>58</b>	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required		<b>58</b>	
	<b>59a</b>	Household employment taxes from Schedule H		<b>59a</b>	
	<b>b</b>	First-time homebuyer credit repayment. Attach Form 5405 if required		<b>59b</b>	
	<b>60</b>	Taxes from: <b>a</b> <input type="checkbox"/> Form 8959 <b>b</b> <input type="checkbox"/> Form 8960 <b>c</b> <input type="checkbox"/> Instructions; enter code(s)		<b>60</b>	
	<b>61</b>	Add lines 55 through 60. This is your <b>total tax</b>		<b>61</b>	17,353
	<b>62</b>	Federal income tax withheld from Forms W-2 and 1099		<b>62</b>	3,000
	<b>63</b>	2013 estimated tax payments and amount applied from 2012 return		<b>63</b>	14,250
	<b>64a</b>	<b>Earned income credit (EIC)</b>		<b>64a</b>	
<b>b</b>	Nontaxable combat pay election <b>64b</b>				
<b>65</b>	Additional child tax credit. Attach Schedule 8812		<b>65</b>		
<b>66</b>	American opportunity credit from Form 8863, line 8		<b>66</b>		
<b>67</b>	Reserved		<b>67</b>		
<b>68</b>	Amount paid with request for extension to file		<b>68</b>		
<b>69</b>	Excess social security and tier 1 RRTA tax withheld		<b>69</b>		
<b>70</b>	Credit for federal tax on fuels. Attach Form 4136		<b>70</b>		
<b>71</b>	Credits from Form: <b>a</b> <input type="checkbox"/> 2439 <b>b</b> <input type="checkbox"/> Reserved <b>c</b> <input type="checkbox"/> 8885 <b>d</b> <input type="checkbox"/>		<b>71</b>		
<b>72</b>	Add lines 62, 63, 64a, and 65 through 71. These are your <b>total payments</b>		<b>72</b>	17,250	
<b>Refund</b>	<b>73</b>	If line 72 is more than line 61, subtract line 61 from line 72. This is the amount you <b>overpaid</b>		<b>73</b>	
	<b>74a</b>	Amount of line 73 you want <b>refunded to you</b> . If Form 8888 is attached, check here <input type="checkbox"/>		<b>74a</b>	
Direct deposit? See instructions.	<b>b</b>	Routing number <u>X X X X X X X X X X</u> <b>▶ c Type:</b> <input type="checkbox"/> Checking <input type="checkbox"/> Savings			
	<b>d</b>	Account number <u>X X X X X X X X X X X X X X X X X X</u>			
<b>75</b>	Amount of line 73 you want <b>applied to your 2014 estimated tax</b> <b>▶ 75</b>		<b>75</b>		
<b>Amount You Owe</b>	<b>76</b>	<b>Amount you owe.</b> Subtract line 72 from line 61. For details on how to pay, see instructions <b>▶ 76</b>		<b>76</b>	103
<b>77</b>	Estimated tax penalty (see instructions)		<b>77</b>		
<b>Third Party Designee</b>	Do you want to allow another person to discuss this return with the IRS (see instructions)? <input type="checkbox"/> <b>Yes.</b> Complete below. <input checked="" type="checkbox"/> <b>No</b>				
<b>Sign Here</b>	Designee's name <b>▶</b>		Phone no. <b>▶</b>	Personal identification number (PIN) <b>▶</b>	
	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.				
Joint return? See instructions. Keep a copy for your records.	Your signature		Date	Your occupation	Daytime phone number
	Spouse's signature. If a joint return, <b>both</b> must sign.		Date	Store owner Office Manager	If the IRS sent you an Identity Protection PIN, enter it here (see inst.)
<b>Paid Preparer Use Only</b>	Print/Type preparer's name		Preparer's signature	Date	Check <input type="checkbox"/> if self-employed PTIN
	Firm's name <b>▶</b> Self-Prepared			Firm's EIN <b>▶</b>	
	Firm's address <b>▶</b>			Phone no. <b>▶</b>	

**SCHEDULE C  
(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Profit or Loss From Business**  
(Sole Proprietorship)

► For information on Schedule C and its instructions, go to [www.irs.gov/schedulec](http://www.irs.gov/schedulec).  
► Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

OMB No. 1545-0074

**2013**  
Attachment  
Sequence No. **09**

Name of proprietor <b>Gregory H Larsen</b>		Social security number (SSN) 800-98-1234
A Principal business or profession, including product or service (see instructions) <b>Convenience Store</b>		B Enter code from instructions ► <b>447100</b>
C Business name, if no separate business name, leave blank. <b>Larsen's Convenience Store</b>		D Employer ID number (EIN), (see instr.)
E Business address (including suite or room no.) ► <b>1798 Hwy 53</b> City, town or post office, state, and ZIP code <b>Canon, GA 30115</b>		
F Accounting method: (1) <input checked="" type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) ►		
G Did you "materially participate" in the operation of this business during 2013? If "No," see instructions for limit on losses		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
H If you started or acquired this business during 2013, check here		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
I Did you make any payments in 2013 that would require you to file Form(s) 1099? (see instructions)		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
J If "Yes," did you or will you file required Forms 1099?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**Part I Income**

1	Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked . . . . .	1	1,353,558.
2	Returns and allowances . . . . .	2	
3	Subtract line 2 from line 1 . . . . .	3	1,353,558.
4	Cost of goods sold (from line 42) . . . . .	4	1,120,046.
5	<b>Gross profit.</b> Subtract line 4 from line 3 . . . . .	5	233,512.
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions) . . . . .	6	
7	<b>Gross income.</b> Add lines 5 and 6 . . . . .	7	233,512.

**Part II Expenses**

Enter expenses for business use of your home only on line 30.

8	Advertising . . . . .	8	2,080.	18	Office expense (see instructions)	18	
9	Car and truck expenses (see instructions) . . . . .	9		19	Pension and profit-sharing plans . . . . .	19	
10	Commissions and fees . . . . .	10		20	Rent or lease (see instructions):		
11	Contract labor (see instructions) . . . . .	11		a	Vehicles, machinery, and equipment . . . . .	20a	
12	Depletion . . . . .	12		b	Other business property . . . . .	20b	12,000.
13	Depreciation and section 179 expense deduction (not included in Part III) (see instructions) . . . . .	13		21	Repairs and maintenance . . . . .	21	10,450.
14	Employee benefit programs (other than on line 19) . . . . .	14		22	Supplies (not included in Part III) . . . . .	22	
15	Insurance (other than health) . . . . .	15	3,666.	23	Taxes and licenses . . . . .	23	2,105.
16	Interest:			24	Travel, meals, and entertainment:		
a	Mortgage (paid to banks, etc.) . . . . .	16a		a	Travel . . . . .	24a	
b	Other . . . . .	16b		b	Deductible meals and entertainment (see instructions) . . . . .	24b	
17	Legal and professional services . . . . .	17	354.	25	Utilities . . . . .	25	11,616.
28	<b>Total expenses</b> before expenses for business use of home. Add lines 8 through 27a . . . . .			26	Wages (less employment credits) . . . . .	26	84,814.
29	Tentative profit or (loss). Subtract line 28 from line 7 . . . . .			27a	Other expenses (from line 48) . . . . .	27a	46,857.
30	Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions). <b>Simplified method filers only:</b> enter the total square footage of: (a) your home: _____ and (b) the part of your home used for business: _____ Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30 . . . . .			b	<b>Reserved for future use</b> . . . . .	27b	
31	<b>Net profit or (loss).</b> Subtract line 30 from line 29. • If a profit, enter on both <b>Form 1040, line 12</b> (or <b>Form 1040NR, line 13</b> ) and on <b>Schedule SE, line 2</b> . (If you checked the box on line 1, see instructions). Estates and trusts, enter on <b>Form 1041, line 3</b> . • If a loss, you <b>must</b> go to line 32.			28		28	173,942.
32	If you have a loss, check the box that describes your investment in this activity (see instructions). • If you checked 32a, enter the loss on both <b>Form 1040, line 12</b> , (or <b>Form 1040NR, line 13</b> ) and on <b>Schedule SE, line 2</b> . (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on <b>Form 1041, line 3</b> . • If you checked 32b, you <b>must</b> attach <b>Form 6198</b> . Your loss may be limited.			29		29	59,570.
				31		31	59,570.

32a  All investment is at risk.  
32b  Some investment is not at risk.

**Part III Cost of Goods Sold** (see instructions)

<b>33</b>	Method(s) used to value closing inventory: <b>a</b> <input checked="" type="checkbox"/> Cost <b>b</b> <input type="checkbox"/> Lower of cost or market <b>c</b> <input type="checkbox"/> Other (attach explanation)	
<b>34</b>	Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If "Yes," attach explanation	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>35</b>	Inventory at beginning of year. If different from last year's closing inventory, attach explanation	<b>35</b> 272,960.
<b>36</b>	Purchases less cost of items withdrawn for personal use	<b>36</b> 1,119,661.
<b>37</b>	Cost of labor. Do not include any amounts paid to yourself.	<b>37</b>
<b>38</b>	Materials and supplies	<b>38</b>
<b>39</b>	Other costs	<b>39</b>
<b>40</b>	Add lines 35 through 39	<b>40</b> 1,392,621.
<b>41</b>	Inventory at end of year	<b>41</b> 272,575.
<b>42</b>	<b>Cost of goods sold.</b> Subtract line 41 from line 40. Enter the result here and on line 4	<b>42</b> 1,120,046.

**Part IV Information on Your Vehicle.** Complete this part **only** if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

- 43** When did you place your vehicle in service for business purposes? (month, day, year) ▶ .....
- 44** Of the total number of miles you drove your vehicle during 2013, enter the number of miles you used your vehicle for:  
**a** Business ..... **b** Commuting (see instructions) ..... **c** Other .....
- 45** Was your vehicle available for personal use during off-duty hours?  Yes  No
- 46** Do you (or your spouse) have another vehicle available for personal use?  Yes  No
- 47a** Do you have evidence to support your deduction?  Yes  No
- b** If "Yes," is the evidence written?  Yes  No

**Part V Other Expenses.** List below business expenses not included on lines 8–26 or line 30.

Administration fee	24,120.
Cash over / short	3,603.
Credit card fees	1,971.
Expense items	10,585.
NSF checks expense	91.
Payroll tax expense	6,487.
<b>48 Total other expenses.</b> Enter here and on line 27a	<b>48</b> 46,857.

Form **W-2** **Wage and Tax Statement** **2013**  
 ► Keep for your records

Name: Tonya V Larsen Social Security Number: 800-76-9876

**Spouse's W-2** **Military:** Complete **Part VI** on Page 2 below  
 **Do not transfer this W-2 to next year**

<p><b>a</b> Employee's social security No. <u>800-76-9876</u></p> <p><b>b</b> Employer's ID number . . . . . <u>12-3456799</u></p> <p><b>c</b> Employer's name, address, and ZIP code  <u>Absolute Orthopedics</u></p> <p>Street <u>3456 South Marietta Parkway</u>                  City <u>Marietta</u>                  State <u>GA</u> ZIP Code <u>30060</u>                  Foreign Country _____</p> <p><b>d</b> Control number _____</p> <p><input checked="" type="checkbox"/> <b>Transfer employee information from the Federal Information Worksheet</b></p> <p><b>e</b> Employee's name                  First <u>Tonya</u> M.I. <u>V</u>                  Last <u>Larsen</u> Suff. _____</p> <p><b>f</b> Employee's address and ZIP code                  Street <u>213 Underwood Street</u>                  City <u>Canton</u>                  State <u>GA</u> ZIP Code <u>30115</u>                  Foreign Country _____</p>	<p><b>1</b> Wages, tips, other compensation <u>30,000.00</u></p> <p><b>3</b> Social security wages <u>30,000.00</u></p> <p><b>5</b> Medicare wages and tips <u>30,000.00</u></p> <p><b>7</b> Social security tips _____</p> <p><b>9</b> _____</p> <p><b>11</b> Nonqualified plans _____</p> <p><b>12</b> Enter box 12 below _____</p> <p><b>13</b> <input type="checkbox"/> Statutory employee  <input type="checkbox"/> Retirement plan  <input type="checkbox"/> Third-party sick pay</p> <p><b>14</b> Enter box 14 below <b>after</b> entering boxes 18, 19, and 20.  <b>NOTE:</b> Enter box 15 <b>before</b> entering box 14.</p>	<p><b>2</b> Federal income tax withheld <u>3,000.00</u></p> <p><b>4</b> Social security tax withheld <u>1,860.00</u></p> <p><b>6</b> Medicare tax withheld <u>435.00</u></p> <p><b>8</b> Allocated tips _____</p> <p><b>10</b> Dependent care benefits _____</p> <p>Distributions from sect. 457 and nonqualified plans (Important, see Help) _____</p>
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Box 12 Code	Box 12 Amount	If Box 12 code is:
		A: Enter amount attributable to RRTA Tier 2 tax _____
		M: Enter amount attributable to RRTA Tier 2 tax _____
		P: Double click to link to Form 3903, line 4. . . _____
		R: Enter MSA contribution for Taxpayer . . . _____
		Spouse . . . . . _____
		W: Enter HSA contribution for Taxpayer . . . _____
		Spouse . . . . . _____
		G: <input type="checkbox"/> Employer is <b>not</b> a state or local government

Box 15 State	Employer's state I.D. no.	Box 16 State wages, tips, etc.	Box 17 State income tax
<u>GA</u>		<u>30,000.00</u>	<u>1,800.00</u>

Box 20 Locality name	Box 18 Local wages, tips, etc.	Box 19 Local income tax	Associated State

Box 14 Description or Code on Actual Form W-2	Amount	TurboTax Identification of Description or Code (Identify this item by selecting the identification from the drop down list. If not on the list, select Other).

## Supplement: Part III Cost of Goods Sold - Summaries by Product Line

	December 31, 2013
Fuel	\$ 882,392
Beginning inventory	15,621
Purchases	781,776
Ending inventory	15,966
Cost of fuel	<u>\$ 781,431</u>
Gross profit	<u>\$ 100,961</u>
Groceries/food	\$ 250,922
Beginning inventory	26,851
Purchases	170,271
Ending inventory	26,633
Cost of groceries	<u>\$ 170,489</u>
Gross profit	<u>\$ 80,433</u>
Beverages	\$ 83,408
Beginning inventory	49,988
Purchases	60,910
Ending inventory	49,521
Cost of beverages	<u>\$ 61,377</u>
Gross profit	<u>\$ 22,031</u>
Tobacco	\$ 133,097
Beginning inventory	179,961
Purchases	104,632
Ending inventory	179,866
Cost of tobacco	<u>\$ 104,727</u>
Gross profit	<u>\$ 28,370</u>
Print media	2,371
Beginning inventory	539
Purchases	2,072
Ending inventory	589
Cost of print media	<u>\$ 2,022</u>
Gross profit	<u>\$ 349</u>
Bank ATM Rents	\$ 1,368
Beginning inventory	-
Purchases	-
Ending inventory	-
Cost of bank ATM rents	<u>\$ -</u>
Gross profit	<u>\$ 1,368</u>
Total revenue	\$ 1,353,558
Beginning inventory	272,960
Purchases	1,119,661
Ending inventory	272,575
Total cost of goods sold	<u>\$ 1,120,046</u>
Total gross profit	<u>\$ 233,512</u>

Form **1040** Department of the Treasury—Internal Revenue Service (99) **2014** U.S. Individual Income Tax Return OMB No. 1545-0074 IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2014, or other tax year beginning , 2014, ending , 20 See separate instructions.

Your first name and initial **Gregory H** Last name **Larsen** Your social security number **800-98-1234**

If a joint return, spouse's first name and initial **Tonya V** Last name **Larsen** Spouse's social security number **800-76-9876**

Home address (number and street). If you have a P.O. box, see instructions. **213 Underwood Street** Apt. no. **▲** Make sure the SSN(s) above and on line 6c are correct.

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions). **Canton GA 30115** Presidential Election Campaign

Foreign country name Foreign province/state/county Foreign postal code Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund.  You  Spouse

**Filing Status** 1  Single 4  Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here. **2**  Married filing jointly (even if only one had income) 5  Qualifying widow(er) with dependent child  
3  Married filing separately. Enter spouse's SSN above and full name here. **▶**

**Exemptions** 6a  Yourself. If someone can claim you as a dependent, do not check box 6a . . . . . 2  
b  Spouse . . . . .

c Dependents:		(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> if child under age 17 qualifying for child tax credit (see instructions)	Boxes checked on 6a and 6b No. of children on 6c who: • lived with you • did not live with you due to divorce or separation (see instructions) Dependents on 6c not entered above
(1) First name	Last name				
				<input type="checkbox"/>	Add numbers on lines above <b>▶</b> <b>2</b>
				<input type="checkbox"/>	
				<input type="checkbox"/>	
				<input type="checkbox"/>	

If more than four dependents, see instructions and check here

d Total number of exemptions claimed . . . . . **2**

<b>Income</b>			
7	Wages, salaries, tips, etc. Attach Form(s) W-2 . . . . .	7	36,000.
8a	Taxable interest. Attach Schedule B if required . . . . .	8a	243.
b	Tax-exempt interest. Do not include on line 8a . . . . .	8b	
9a	Ordinary dividends. Attach Schedule B if required . . . . .	9a	
b	Qualified dividends . . . . .	9b	
10	Taxable refunds, credits, or offsets of state and local income taxes . . . . .	10	
11	Alimony received . . . . .	11	
12	Business income or (loss). Attach Schedule C or C-EZ . . . . .	12	64,486.
13	Capital gain or (loss). Attach Schedule D if required. If not required, check here <input type="checkbox"/> . . . . .	13	
14	Other gains or (losses). Attach Form 4797 . . . . .	14	
15a	IRA distributions . . . . .	15a	
b	Taxable amount . . . . .	15b	
16a	Pensions and annuities . . . . .	16a	
b	Taxable amount . . . . .	16b	
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E . . . . .	17	
18	Farm income or (loss). Attach Schedule F . . . . .	18	
19	Unemployment compensation . . . . .	19	
20a	Social security benefits . . . . .	20a	
b	Taxable amount . . . . .	20b	
21	Other income. List type and amount . . . . .	21	
22	Combine the amounts in the far right column for lines 7 through 21. This is your total income <b>▶</b> . . . . .	22	100,729.

<b>Adjusted Gross Income</b>			
23	Educator expenses . . . . .	23	
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ . . . . .	24	
25	Health savings account deduction. Attach Form 8889 . . . . .	25	
26	Moving expenses. Attach Form 3903 . . . . .	26	
27	Deductible part of self-employment tax. Attach Schedule SE . . . . .	27	4,556.
28	Self-employed SEP, SIMPLE, and qualified plans . . . . .	28	
29	Self-employed health insurance deduction . . . . .	29	
30	Penalty on early withdrawal of savings . . . . .	30	
31a	Alimony paid b Recipient's SSN <b>▶</b> . . . . .	31a	
32	IRA deduction . . . . .	32	
33	Student loan interest deduction . . . . .	33	
34	Tuition and fees. Attach Form 8917 . . . . .	34	
35	Domestic production activities deduction. Attach Form 8903 . . . . .	35	
36	Add lines 23 through 35 . . . . .	36	4,556.
37	Subtract line 36 from line 22. This is your adjusted gross income <b>▶</b> . . . . .	37	96,173.

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions. BAA REV 05/19/15 TTW Form **1040** (2014)



**SCHEDULE C  
(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Profit or Loss From Business**  
(Sole Proprietorship)

► **Information about Schedule C and its separate instructions is at [www.irs.gov/schedulec](http://www.irs.gov/schedulec).**  
► **Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.**

OMB No. 1545-0074

**2014**  
Attachment  
Sequence No. **09**

Name of proprietor  
**Gregory H Larsen**

**A** Principal business or profession, including product or service (see instructions)  
**Convenience Store**

**B** Enter code from instructions  
► **4 | 4 | 7 | 1 | 0 | 0**

**C** Business name, if no separate business name, leave blank.  
**Larsen's Convenience Store**

**D** Employer ID number (EIN), (see instr.)

**E** Business address (including suite or room no.) ► **1798 Hwy 53**  
**Canon, GA 30115**

**F** Accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) ►

**G** Did you "materially participate" in the operation of this business during 2014? If "No," see instructions for limit on losses . . . . .  Yes  No

**H** If you started or acquired this business during 2014, check here . . . . .  Yes  No

**I** Did you make any payments in 2014 that would require you to file Form(s) 1099? (see instructions) . . . . .  Yes  No

**J** If "Yes," did you or will you file required Forms 1099? . . . . .  Yes  No

**Part I Income**

<b>1</b>	Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked . . . . .	<input type="checkbox"/>	<b>1</b>	1,378,216.
<b>2</b>	Returns and allowances . . . . .		<b>2</b>	
<b>3</b>	Subtract line 2 from line 1 . . . . .		<b>3</b>	1,378,216.
<b>4</b>	Cost of goods sold (from line 42) . . . . .		<b>4</b>	1,137,963.
<b>5</b>	<b>Gross profit.</b> Subtract line 4 from line 3 . . . . .		<b>5</b>	240,253.
<b>6</b>	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions) . . . . .		<b>6</b>	
<b>7</b>	<b>Gross income.</b> Add lines 5 and 6 . . . . .		<b>7</b>	240,253.

**Part II Expenses.** Enter expenses for business use of your home **only** on line 30.

<b>8</b>	Advertising . . . . .	<b>8</b>	2,099.	<b>18</b>	Office expense (see instructions)	<b>18</b>	
<b>9</b>	Car and truck expenses (see instructions) . . . . .	<b>9</b>		<b>19</b>	Pension and profit-sharing plans . . . . .	<b>19</b>	
<b>10</b>	Commissions and fees . . . . .	<b>10</b>		<b>20</b>	Rent or lease (see instructions):	<b>20a</b>	
<b>11</b>	Contract labor (see instructions) . . . . .	<b>11</b>		<b>20b</b>	a Vehicles, machinery, and equipment	<b>20b</b>	12,000.
<b>12</b>	Depreciation . . . . .	<b>12</b>		<b>21</b>	b Other business property . . . . .	<b>21</b>	9,869.
<b>13</b>	Depreciation and section 179 expense deduction (not included in Part III) (see instructions) . . . . .	<b>13</b>		<b>22</b>	Repairs and maintenance . . . . .	<b>22</b>	
<b>14</b>	Employee benefit programs (other than on line 19) . . . . .	<b>14</b>		<b>23</b>	Supplies (not included in Part III) . . . . .	<b>23</b>	2,179.
<b>15</b>	Insurance (other than health) . . . . .	<b>15</b>	3,698.	<b>24</b>	Taxes and licenses . . . . .	<b>24</b>	
<b>16</b>	Interest:			<b>24a</b>	Travel, meals, and entertainment:	<b>24a</b>	
<b>16a</b>	a Mortgage (paid to banks, etc.) . . . . .	<b>16a</b>		<b>24b</b>	a Travel . . . . .	<b>24b</b>	
<b>16b</b>	b Other . . . . .	<b>16b</b>		<b>25</b>	b Deductible meals and entertainment (see instructions) . . . . .	<b>25</b>	12,301.
<b>17</b>	Legal and professional services . . . . .	<b>17</b>	352.	<b>26</b>	Utilities . . . . .	<b>26</b>	85,995.
<b>18</b>	<b>Total expenses</b> before expenses for business use of home. Add lines 8 through 27a . . . . .			<b>27a</b>	Wages (less employment credits) . . . . .	<b>27a</b>	47,274.
<b>19</b>	Tentative profit or (loss). Subtract line 28 from line 7 . . . . .			<b>27b</b>	Other expenses (from line 48) . . . . .	<b>27b</b>	
<b>20</b>	Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions). <b>Simplified method filers only:</b> enter the total square footage of: (a) your home: _____ and (b) the part of your home used for business: _____. Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30 . . . . .			<b>28</b>	<b>Reserved for future use</b> . . . . .	<b>28</b>	175,767.
<b>21</b>	<b>Net profit or (loss).</b> Subtract line 30 from line 29. • If a profit, enter on both <b>Form 1040, line 12</b> (or <b>Form 1040NR, line 13</b> ) and on <b>Schedule SE, line 2</b> . (If you checked the box on line 1, see instructions). Estates and trusts, enter on <b>Form 1041, line 3</b> . • If a loss, you <b>must</b> go to line 32.			<b>29</b>		<b>29</b>	64,486.
<b>22</b>	If you have a loss, check the box that describes your investment in this activity (see instructions). • If you checked 32a, enter the loss on both <b>Form 1040, line 12</b> , (or <b>Form 1040NR, line 13</b> ) and on <b>Schedule SE, line 2</b> . (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on <b>Form 1041, line 3</b> . • If you checked 32b, you <b>must</b> attach <b>Form 6198</b> . Your loss may be limited.			<b>30</b>		<b>30</b>	64,486.
				<b>31</b>		<b>31</b>	
						<b>32a</b>	<input type="checkbox"/> All investment is at risk.
						<b>32b</b>	<input type="checkbox"/> Some investment is not at risk.

**Part III Cost of Goods Sold** (see instructions)

33	Method(s) used to value closing inventory: a <input checked="" type="checkbox"/> Cost b <input type="checkbox"/> Lower of cost or market c <input type="checkbox"/> Other (attach explanation)		
34	Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If "Yes," attach explanation	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
35	Inventory at beginning of year. If different from last year's closing inventory, attach explanation SEE STMT	35	272,575.
36	Purchases less cost of items withdrawn for personal use	36	1,139,824.
37	Cost of labor. Do not include any amounts paid to yourself.	37	
38	Materials and supplies	38	
39	Other costs	39	
40	Add lines 35 through 39	40	1,412,399.
41	Inventory at end of year	41	274,436.
42	<b>Cost of goods sold.</b> Subtract line 41 from line 40. Enter the result here and on line 4	42	1,137,963.

**Part IV Information on Your Vehicle.** Complete this part **only** if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

- 43 When did you place your vehicle in service for business purposes? (month, day, year) ▶ .....
- 44 Of the total number of miles you drove your vehicle during 2014, enter the number of miles you used your vehicle for:  
 a Business ..... b Commuting (see instructions) ..... c Other .....
- 45 Was your vehicle available for personal use during off-duty hours?  Yes  No
- 46 Do you (or your spouse) have another vehicle available for personal use?  Yes  No
- 47a Do you have evidence to support your deduction?  Yes  No
- b If "Yes," is the evidence written?  Yes  No

**Part V Other Expenses.** List below business expenses not included on lines 8–26 or line 30.

Administration fee	24,120.
Cash over / short	2,765.
Credit card fees	2,031.
Expense items	11,521.
NSF checks expense	50.
Payroll tax expense	6,787.
.....	
.....	
48 <b>Total other expenses.</b> Enter here and on line 27a	48 47,274.

Form **W-2** **Wage and Tax Statement** **2014**  
 ▶ Keep for your records

Name: Tonya V Larsen Social Security Number: 800-76-9876

**Spouse's W-2** **Military:** Complete **Part VI** on Page 2 below  
 **Do not transfer this W-2 to next year**

<p><b>a</b> Employee's social security No. <u>800-76-9876</u></p> <p><b>b</b> Employer's ID number . . . . <u>12-3456799</u></p> <p><b>c</b> Employer's name, address, and ZIP code  <u>Absolute Orthopedics</u>                  Street <u>3456 South Marietta Parkway</u>                  City <u>Marietta</u>                  State <u>GA</u> ZIP Code <u>30060</u>                  Foreign Country _____</p> <p><b>d</b> Control number _____</p> <p><input checked="" type="checkbox"/> <b>Transfer employee information from the Federal Information Worksheet</b></p> <p><b>e</b> Employee's name                  First <u>Tonya</u> M.I. <u>V</u>                  Last <u>Larsen</u> Suff. _____</p> <p><b>f</b> Employee's address and ZIP code                  Street <u>213 Underwood Street</u>                  City <u>Canton</u>                  State <u>GA</u> ZIP Code <u>30115</u>                  Foreign Country _____</p>	<p><b>1</b> Wages, tips, other compensation <u>36,000.00</u></p> <p><b>3</b> Social security wages <u>36,000.00</u></p> <p><b>5</b> Medicare wages and tips <u>36,000.00</u></p> <p><b>7</b> Social security tips _____</p> <p><b>9</b> _____</p> <p><b>11</b> Nonqualified plans _____</p> <p><b>12</b> Enter box 12 below _____</p> <p><b>13</b> <input type="checkbox"/> Statutory employee  <input type="checkbox"/> Retirement plan  <input type="checkbox"/> Third-party sick pay</p> <p><b>14</b> Enter box 14 below <b>after</b> entering boxes 18, 19, and 20.  <b>NOTE:</b> Enter box 15 <b>before</b> entering box 14.</p>	<p><b>2</b> Federal income tax withheld <u>3,600.00</u></p> <p><b>4</b> Social security tax withheld <u>2,232.00</u></p> <p><b>6</b> Medicare tax withheld <u>522.00</u></p> <p><b>8</b> Allocated tips _____</p> <p><b>10</b> Dependent care benefits                  Distributions from sect. 457 and nonqualified plans (Important, see Help) _____</p>
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Box 12 Code	Box 12 Amount	If Box 12 code is:
		A: Enter amount attributable to RRTA Tier 2 tax _____
		M: Enter amount attributable to RRTA Tier 2 tax _____
		P: Double click to link to Form 3903, line 4. . . _____
		R: Enter MSA contribution for Taxpayer . . . _____ Spouse . . . _____
		W: Enter HSA contribution for Taxpayer . . . _____ Spouse . . . _____
		G: <input type="checkbox"/> Employer is <b>not</b> a state or local government

Box 15 State	Employer's state I.D. no.	Box 16 State wages, tips, etc.	Box 17 State income tax
<u>GA</u>		<u>36,000.00</u>	<u>2,160.00</u>

Box 20 Locality name	Box 18 Local wages, tips, etc.	Box 19 Local income tax	Associated State

Box 14 Description or Code on Actual Form W-2	Amount	TurboTax Identification of Description or Code (Identify this item by selecting the identification from the drop down list. If not on the list, select Other).

## Supplement: Part III Cost of Goods Sold - Summaries by Product Line

	December 31, 2014
Fuel	\$ 901,968
Beginning inventory	15,966
Purchases	798,756
Ending inventory	16,764
Cost of fuel	<u>\$ 797,958</u>
Gross profit	<u>\$ 104,010</u>
Groceries/food	\$ 252,897
Beginning inventory	26,633
Purchases	171,988
Ending inventory	27,965
Cost of groceries	<u>\$ 170,656</u>
Gross profit	<u>\$ 82,241</u>
Beverages	\$ 83,978
Beginning inventory	49,521
Purchases	61,560
Ending inventory	50,511
Cost of beverages	<u>\$ 60,570</u>
Gross profit	<u>\$ 23,408</u>
Tobacco	\$ 135,199
Beginning inventory	179,866
Purchases	105,122
Ending inventory	178,679
Cost of tobacco	<u>\$ 106,309</u>
Gross profit	<u>\$ 28,890</u>
Print media	2,749
Beginning inventory	589
Purchases	2,398
Ending inventory	517
Cost of print media	<u>\$ 2,470</u>
Gross profit	<u>\$ 279</u>
Bank ATM Rents	\$ 1,425
Beginning inventory	-
Purchases	-
Ending inventory	-
Cost of bank ATM rents	<u>\$ -</u>
Gross profit	<u>\$ 1,425</u>
Total revenue	\$ 1,378,216
Beginning inventory	272,575
Purchases	1,139,824
Ending inventory	274,436
Total cost of goods sold	<u>\$ 1,137,963</u>
Total gross profit	<u>\$ 240,253</u>

Form **1040** Department of the Treasury—Internal Revenue Service (99) **2015** U.S. Individual Income Tax Return OMB No. 1545-0074 IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2015, or other tax year beginning \_\_\_\_\_, 2015, ending \_\_\_\_\_, 20 See separate instructions.

Your first name and initial: **Gregory H** Last name: **Larsen** Your social security number: **800-98-1234**

If a joint return, spouse's first name and initial: **Tonya V** Last name: **Larsen** Spouse's social security number: **800-76-9876**

Home address (number and street), if you have a P.O. box, see instructions: **176 Rook Heights** Apt. no.: **102** **▲** Make sure the SSN(s) above and on line 6c are correct.

City, town or post office, state, and ZIP code, if you have a foreign address, also complete spaces below (see instructions): **Woodstock GA 30189**

Foreign country name: \_\_\_\_\_ Foreign province/state/country: \_\_\_\_\_ Foreign postal code: \_\_\_\_\_

**Presidential Election Campaign**  
Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund.  You  Spouse

**Filing Status**

1  Single 4  Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here. ▶

2  Married filing jointly (even if only one had income)

3  Married filing separately. Enter spouse's SSN above and full name here. ▶

5  Qualifying widow(er) with dependent child

Check only one box.

**Exemptions**

6a  Yourself. If someone can claim you as a dependent, do not check box 6a. . . . .

b  Spouse . . . . .

**Boxes checked on 6a and 6b** **2**

**No. of children on 6c who:**

• lived with you

• did not live with you due to divorce or separation (see instructions)

Dependents on 6c not entered above

Add numbers on lines above ▶ **2**

(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> If child under age 17 qualifying for child tax credit (see instructions)
				<input type="checkbox"/>

If more than four dependents, see instructions and check here

d Total number of exemptions claimed . . . . .

**Income**

7	Wages, salaries, tips, etc. Attach Form(s) W-2 . . . . .	7	21,375.
8a	Taxable interest. Attach Schedule B if required . . . . .	8a	12.
8b	Tax-exempt interest. Do not include on line 8a . . . . .	8b	
9a	Ordinary dividends. Attach Schedule B if required . . . . .	9a	
9b	Qualified dividends . . . . .	9b	
10	Taxable refunds, credits, or offsets of state and local income taxes . . . . .	10	
11	Alimony received . . . . .	11	
12	Business income or (loss). Attach Schedule C or C-EZ . . . . .	12	130,458.
13	Capital gain or (loss). Attach Schedule D if required. If not required, check here <input type="checkbox"/> . . . . .	13	
14	Other gains or (losses). Attach Form 4797 . . . . .	14	
15a	IRA distributions . . . . .	15a	
15b	Taxable amount . . . . .	15b	
16a	Pensions and annuities . . . . .	16a	
16b	Taxable amount . . . . .	16b	
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E . . . . .	17	
18	Farm income or (loss). Attach Schedule F . . . . .	18	
19	Unemployment compensation . . . . .	19	
20a	Social security benefits . . . . .	20a	
20b	Taxable amount . . . . .	20b	
21	Other income. List type and amount . . . . .	21	
22	Combine the amounts in the far right column for lines 7 through 21. This is your total income ▶ . . . . .	22	151,845.

**Adjusted Gross Income**

23	Educator expenses . . . . .	23	
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ . . . . .	24	
25	Health savings account deduction. Attach Form 8889 . . . . .	25	
26	Moving expenses. Attach Form 3903 . . . . .	26	
27	Deductible part of self-employment tax. Attach Schedule SE . . . . .	27	9,094.
28	Self-employed SEP, SIMPLE, and qualified plans . . . . .	28	
29	Self-employed health insurance deduction . . . . .	29	
30	Penalty on early withdrawal of savings . . . . .	30	
31a	Alimony paid b Recipient's SSN ▶ . . . . .	31a	
32	IRA deduction . . . . .	32	
33	Student loan interest deduction . . . . .	33	
34	Tuition and fees. Attach Form 8917 . . . . .	34	
35	Domestic production activities deduction. Attach Form 8903 . . . . .	35	
36	Add lines 23 through 35 . . . . .	36	9,094.
37	Subtract line 36 from line 22. This is your adjusted gross income ▶ . . . . .	37	142,751.



**SCHEDULE C  
(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Profit or Loss From Business**  
(Sole Proprietorship)

► Information about Schedule C and its separate instructions is at [www.irs.gov/schedulec](http://www.irs.gov/schedulec).  
► Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

OMB No. 1545-0074

**2015**  
Attachment  
Sequence No. **09**

Name of proprietor  
**Gregory H Larsen**

**A** Principal business or profession, including product or service (see instructions)  
**Convenience Store**

**B** Enter code from instructions  
► **4 | 4 | 7 | 1 | 0 | 0**

**C** Business name, if no separate business name, leave blank.  
**Larsen's Convenience Store**

**D** Employer ID number (EIN), (see instr.)

**E** Business address (including suite or room no.) ► **1798 Hwy 53**  
**Canon, GA 30115**

**F** Accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) ►

**G** Did you "materially participate" in the operation of this business during 2015? If "No," see instructions for limit on losses . . . . .  Yes  No

**H** If you started or acquired this business during 2015, check here . . . . .  Yes  No

**I** Did you make any payments in 2015 that would require you to file Form(s) 1099? (see instructions) . . . . .  Yes  No

**J** If "Yes," did you or will you file required Forms 1099? . . . . .  Yes  No

**Part I Income**

<b>1</b> Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked . . . . .	<input type="checkbox"/>	<b>1</b>	1,405,780.
<b>2</b> Returns and allowances . . . . .		<b>2</b>	
<b>3</b> Subtract line 2 from line 1 . . . . .		<b>3</b>	1,405,780.
<b>4</b> Cost of goods sold (from line 42) . . . . .		<b>4</b>	1,102,056.
<b>5</b> <b>Gross profit.</b> Subtract line 4 from line 3 . . . . .		<b>5</b>	303,724.
<b>6</b> Other income, including federal and state gasoline or fuel tax credit or refund (see instructions) . . . . .		<b>6</b>	
<b>7</b> <b>Gross income.</b> Add lines 5 and 6 . . . . .		<b>7</b>	303,724.

**Part II Expenses.** Enter expenses for business use of your home **only** on line 30.

<b>8</b> Advertising . . . . .	<b>8</b>	2,414.	<b>18</b> Office expense (see instructions)	<b>18</b>	
<b>9</b> Car and truck expenses (see instructions) . . . . .	<b>9</b>		<b>19</b> Pension and profit-sharing plans . . . . .	<b>19</b>	
<b>10</b> Commissions and fees . . . . .	<b>10</b>		<b>20</b> Rent or lease (see instructions):		
<b>11</b> Contract labor (see instructions) . . . . .	<b>11</b>		<b>a</b> Vehicles, machinery, and equipment . . . . .	<b>20a</b>	
<b>12</b> Depreciation . . . . .	<b>12</b>		<b>b</b> Other business property . . . . .	<b>20b</b>	12,000.
<b>13</b> Depreciation and section 179 expense deduction (not included in Part III) (see instructions) . . . . .	<b>13</b>		<b>21</b> Repairs and maintenance . . . . .	<b>21</b>	10,066.
<b>14</b> Employee benefit programs (other than on line 19) . . . . .	<b>14</b>		<b>22</b> Supplies (not included in Part III) . . . . .	<b>22</b>	
<b>15</b> Insurance (other than health) . . . . .	<b>15</b>	5,698.	<b>23</b> Taxes and licenses . . . . .	<b>23</b>	2,223.
<b>16</b> Interest:			<b>24</b> Travel, meals, and entertainment:		
<b>a</b> Mortgage (paid to banks, etc.) . . . . .	<b>16a</b>		<b>a</b> Travel . . . . .	<b>24a</b>	
<b>b</b> Other . . . . .	<b>16b</b>		<b>b</b> Deductible meals and entertainment (see instructions) . . . . .	<b>24b</b>	
<b>17</b> Legal and professional services . . . . .	<b>17</b>	10,852.	<b>25</b> Utilities . . . . .	<b>25</b>	12,547.
<b>18</b> <b>Total expenses</b> before expenses for business use of home. Add lines 8 through 27a . . . . .			<b>26</b> Wages (less employment credits) . . . . .	<b>26</b>	70,495.
<b>19</b> Tentative profit or (loss). Subtract line 28 from line 7 . . . . .			<b>27a</b> Other expenses (from line 48) . . . . .	<b>27a</b>	46,971.
<b>20</b> Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions). <b>Simplified method filers only:</b> enter the total square footage of: (a) your home: _____ and (b) the part of your home used for business: _____. Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30 . . . . .			<b>b</b> <b>Reserved for future use</b> . . . . .	<b>27b</b>	
<b>21</b> <b>Net profit or (loss).</b> Subtract line 30 from line 29. • If a profit, enter on both <b>Form 1040, line 12</b> (or <b>Form 1040NR, line 13</b> ) and on <b>Schedule SE, line 2</b> . (If you checked the box on line 1, see instructions). Estates and trusts, enter on <b>Form 1041, line 3</b> . • If a loss, you <b>must</b> go to line 32.			<b>28</b> <b>Total expenses</b> before expenses for business use of home. Add lines 8 through 27a . . . . .	<b>28</b>	173,266.
<b>22</b> If you have a loss, check the box that describes your investment in this activity (see instructions). • If you checked 32a, enter the loss on both <b>Form 1040, line 12</b> , (or <b>Form 1040NR, line 13</b> ) and on <b>Schedule SE, line 2</b> . (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on <b>Form 1041, line 3</b> . • If you checked 32b, you <b>must</b> attach <b>Form 6198</b> . Your loss may be limited.			<b>29</b> Tentative profit or (loss). Subtract line 28 from line 7 . . . . .	<b>29</b>	130,458.
			<b>30</b> Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions). <b>Simplified method filers only:</b> enter the total square footage of: (a) your home: _____ and (b) the part of your home used for business: _____. Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30 . . . . .	<b>30</b>	
			<b>31</b> <b>Net profit or (loss).</b> Subtract line 30 from line 29. • If a profit, enter on both <b>Form 1040, line 12</b> (or <b>Form 1040NR, line 13</b> ) and on <b>Schedule SE, line 2</b> . (If you checked the box on line 1, see instructions). Estates and trusts, enter on <b>Form 1041, line 3</b> . • If a loss, you <b>must</b> go to line 32.	<b>31</b>	130,458.
			<b>32a</b> <input type="checkbox"/> All investment is at risk. <b>32b</b> <input type="checkbox"/> Some investment is not at risk.		

<b>Part III Cost of Goods Sold</b> (see instructions)		
33	Method(s) used to value closing inventory: a <input checked="" type="checkbox"/> Cost b <input type="checkbox"/> Lower of cost or market c <input type="checkbox"/> Other (attach explanation)	
34	Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If "Yes," attach explanation . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
35	Inventory at beginning of year. If different from last year's closing inventory, attach explanation . . . . . SEE STMT	35 274,436.
36	Purchases less cost of items withdrawn for personal use . . . . .	36 1,167,545.
37	Cost of labor. Do not include any amounts paid to yourself . . . . .	37
38	Materials and supplies . . . . .	38
39	Other costs . . . . .	39
40	Add lines 35 through 39 . . . . .	40 1,441,981.
41	Inventory at end of year . . . . .	41 339,925.
42	<b>Cost of goods sold.</b> Subtract line 41 from line 40. Enter the result here and on line 4 . . . . .	42 1,102,056.

<b>Part IV Information on Your Vehicle.</b> Complete this part <b>only</b> if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.		
43	When did you place your vehicle in service for business purposes? (month, day, year) ▶	
44	Of the total number of miles you drove your vehicle during 2015, enter the number of miles you used your vehicle for: a Business . . . . . b Commuting (see instructions) . . . . . c Other . . . . .	
45	Was your vehicle available for personal use during off-duty hours? . . . . . <input type="checkbox"/> Yes <input type="checkbox"/> No	
46	Do you (or your spouse) have another vehicle available for personal use? . . . . . <input type="checkbox"/> Yes <input type="checkbox"/> No	
47a	Do you have evidence to support your deduction? . . . . . <input type="checkbox"/> Yes <input type="checkbox"/> No	
b	If "Yes," is the evidence written? . . . . . <input type="checkbox"/> Yes <input type="checkbox"/> No	

<b>Part V Other Expenses.</b> List below business expenses not included on lines 8–26 or line 30.		
Administration fee		24,602.
Cash over / short		2,820.
Credit card fees		2,072.
Expense items		11,751.
NSF checks expense		51.
Payroll tax expense		5,675.
48	<b>Total other expenses.</b> Enter here and on line 27a . . . . .	48 46,971.

Form **W-2** **Wage and Tax Statement** **2015**  
 ► Keep for your records

Name: Tonya V Larsen Social Security Number: 800-76-9876

**Spouse's W-2** **Military:** Complete **Part VI** on Page 2 below  
 **Do not transfer this W-2 to next year**

<p><b>a</b> Employee's social security No. <u>800-76-9876</u></p> <p><b>b</b> Employer's ID number . . . . . <u>12-3456799</u></p> <p><b>c</b> Employer's name, address, and ZIP code  <u>Absolute Orthopedics</u></p> <p>Street <u>3456 South Marietta Parkway</u>                  City <u>Marietta</u>                  State <u>GA</u> ZIP Code <u>30060</u>                  Foreign Country _____</p> <p><b>d</b> Control number _____</p> <p><input checked="" type="checkbox"/> <b>Transfer employee information from the Federal Information Worksheet</b></p> <p><b>e</b> Employee's name                  First <u>Tonya</u> M.I. <u>V</u>                  Last <u>Larsen</u> Suff. _____</p> <p><b>f</b> Employee's address and ZIP code                  Street <u>176 Rook Heights, Apt. 102</u>                  City <u>Woodstock</u>                  State <u>GA</u> ZIP Code <u>30189</u>                  Foreign Country _____</p>	<p><b>1</b> Wages, tips, other compensation <u>12,000.00</u></p> <p><b>3</b> Social security wages <u>12,000.00</u></p> <p><b>5</b> Medicare wages and tips <u>12,000.00</u></p> <p><b>7</b> Social security tips _____ Verification Code _____</p> <p><b>11</b> Nonqualified plans _____</p> <p><b>12</b> Enter box 12 below</p> <p><b>13</b> <input type="checkbox"/> Statutory employee  <input type="checkbox"/> Retirement plan  <input type="checkbox"/> Third-party sick pay</p> <p><b>14</b> Enter box 14 below <b>after</b> entering boxes 18, 19, and 20.  <b>NOTE:</b> Enter box 15 <b>before</b> entering box 14.</p>	<p><b>2</b> Federal income tax withheld <u>1,440.00</u></p> <p><b>4</b> Social security tax withheld <u>744.00</u></p> <p><b>6</b> Medicare tax withheld <u>174.00</u></p> <p><b>8</b> Allocated tips _____</p> <p><b>10</b> Dependent care benefits _____ Distributions from sect. 457 and nonqualified plans (Important, see Help) _____</p>
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Box 12 Code	Box 12 Amount	If Box 12 code is:
		A: Enter amount attributable to RRTA Tier 2 tax _____
		M: Enter amount attributable to RRTA Tier 2 tax _____
		P: Double click to link to Form 3903, line 4. . . _____
		R: Enter MSA contribution for Taxpayer . . . _____ Spouse . . . _____
		W: Enter HSA contribution for Taxpayer . . . _____ Spouse . . . _____
		G: <input type="checkbox"/> Employer is <b>not</b> a state or local government

Box 15 State	Employer's state I.D. no.	Box 16 State wages, tips, etc.	Box 17 State income tax
<u>GA</u>		<u>12,000.00</u>	<u>720.00</u>

Box 20 Locality name	Box 18 Local wages, tips, etc.	Box 19 Local income tax	Associated State

Box 14 Description or Code on Actual Form W-2	Amount	TurboTax Identification of Description or Code (Identify this item by selecting the identification from the drop down list. If not on the list, select Other).

Form **W-2** **Wage and Tax Statement** **2015**  
 ▶ Keep for your records

Name Tonya V Larsen Social Security Number 800-76-9876

**Spouse's W-2** **Military:** Complete **Part VI** on Page 2 below  
 **Do not transfer this W-2 to next year**

<p><b>a</b> Employee's social security No. <u>800-76-9876</u></p> <p><b>b</b> Employer's ID number . . . . <u>12-3456789</u></p> <p><b>c</b> Employer's name, address, and ZIP code  <u>Andersen Internal Medicine</u></p> <p>Street _____                  City _____                  State _____ ZIP Code _____                  Foreign Country _____</p> <p><b>d</b> Control number . _____</p> <p><input checked="" type="checkbox"/> <b>Transfer employee information from the Federal Information Worksheet</b></p> <p><b>e</b> Employee's name                  First <u>Tonya</u> M.I. <u>V</u>                  Last <u>Larsen</u> Suff. _____</p> <p><b>f</b> Employee's address and ZIP code                  Street <u>176 Rook Heights, Apt. 102</u>                  City <u>Woodstock</u>                  State <u>GA</u> ZIP Code <u>30189</u>                  Foreign Country _____</p>	<p><b>1</b> Wages, tips, other compensation  <u>9,375.00</u></p> <p><b>3</b> Social security wages  <u>9,375.00</u></p> <p><b>5</b> Medicare wages and tips  <u>9,375.00</u></p> <p><b>7</b> Social security tips                  _____                  Verification Code _____</p> <p><b>11</b> Nonqualified plans                  _____</p> <p><b>12</b> Enter box 12 below</p> <p><b>13</b> <input type="checkbox"/> Statutory employee  <input type="checkbox"/> Retirement plan  <input type="checkbox"/> Third-party sick pay</p> <p><b>14</b> Enter box 14 below <b>after</b> entering boxes 18, 19, and 20.  <b>NOTE:</b> Enter box 15 <b>before</b> entering box 14.</p>	<p><b>2</b> Federal income tax withheld  <u>1,125.00</u></p> <p><b>4</b> Social security tax withheld  <u>351.28</u></p> <p><b>6</b> Medicare tax withheld  <u>135.93</u></p> <p><b>8</b> Allocated tips                  _____</p> <p><b>10</b> Dependent care benefits                  _____                  Distributions from sect. 457 and nonqualified plans                  (<i>Important, see Help</i>)                  _____</p>
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Box 12 Code	Box 12 Amount	If Box 12 code is:
		A: Enter amount attributable to RRTA Tier 2 tax _____
		M: Enter amount attributable to RRTA Tier 2 tax _____
		P: Double click to link to Form 3903, line 4. . . _____
		R: Enter MSA contribution for Taxpayer . . . _____ Spouse . . . . _____
		W: Enter HSA contribution for Taxpayer . . . _____ Spouse . . . . _____
		G: <input type="checkbox"/> Employer is <b>not</b> a state or local government

Box 15 State	Employer's state I.D. no.	Box 16 State wages, tips, etc.	Box 17 State income tax
<u>GA</u>		<u>9,375.00</u>	<u>432.75</u>

Box 20 Locality name	Box 18 Local wages, tips, etc.	Box 19 Local income tax	Associated State

Box 14 Description or Code on Actual Form W-2	Amount	TurboTax Identification of Description or Code (Identify this item by selecting the identification from the drop down list. If not on the list, select Other).

## Supplement: Part III Cost of Goods Sold - Summaries by Product Line

	December 31, 2015
Fuel	\$ 920,007
Beginning inventory	16,764
Purchases	814,731
Ending inventory	17,100
Cost of fuel	<u>\$ 814,395</u>
Gross profit	<u>\$ 105,612</u>
Groceries/food	\$ 257,955
Beginning inventory	27,965
Purchases	175,428
Ending inventory	43,524
Cost of groceries	<u>\$ 159,868</u>
Gross profit	<u>\$ 98,086</u>
Beverages	\$ 85,658
Beginning inventory	50,511
Purchases	67,716
Ending inventory	66,522
Cost of beverages	<u>\$ 51,706</u>
Gross profit	<u>\$ 33,952</u>
Tobacco	\$ 137,903
Beginning inventory	178,679
Purchases	107,224
Ending inventory	212,253
Cost of tobacco	<u>\$ 73,651</u>
Gross profit	<u>\$ 64,252</u>
Print media	2,804
Beginning inventory	517
Purchases	2,446
Ending inventory	527
Cost of print media	<u>\$ 2,436</u>
Gross profit	<u>\$ 368</u>
Bank ATM Rents	\$ 1,454
Beginning inventory	-
Purchases	-
Ending inventory	-
Cost of bank ATM rents	<u>\$ -</u>
Gross profit	<u>\$ 1,454</u>
Total revenue	\$ 1,405,780
Beginning inventory	274,436
Purchases	1,167,545
Ending inventory	339,925
Total cost of goods sold	<u>\$ 1,102,057</u>
Total gross profit	<u>\$ 303,724</u>



OMB APPROVAL NO.: 3245-0188  
 EXPIRATION DATE: 01/31/2018

**PERSONAL FINANCIAL STATEMENT**  
**7(a) / 504 LOANS AND SURETY BONDS**

U.S. SMALL BUSINESS ADMINISTRATION

As of January 7, 2014

SBA uses the information required by this Form 413 as one of a number of data sources in analyzing the repayment ability and creditworthiness of an application for an SBA guaranteed 7(a) or 504 loan or a guaranteed surety.

Complete this form for: (1) each proprietor; (2) general partner; (3) managing member of a limited liability company (LLC); (4) each owner of 20% or more of the equity of the Applicant (including the assets of the owner's spouse and any minor children); and (5) any person providing a guaranty on the loan

**Return completed form to:**

- For 7(a) loans: the lender processing the application for SBA guaranty
- For 504 loans: the Certified Development Company (CDC) processing the application for SBA guaranty
- For Surety Bonds: the Surety Company or Agent processing the application for surety bond guaranty

**Name** Gregory H. Larsen **Business Phone** 770-735-1234

**Home Address** 213 Underwood Street **Home Phone** 770-735-9876

**City, State, & Zip Code** Canton, GA 30115

**Business Name of Applicant** Gregory H. Larsen dba Larsen's Convenience Store

ASSETS	(Omit Cents)	LIABILITIES	(Omit Cents)
Cash on Hand & in banks.....	\$ 3896	Accounts Payable.....	\$ 95069
Savings Accounts.....	\$ 2314	Notes Payable to Banks and Others.....	\$ 50000
IRA or Other Retirement Account.....	\$ 0	(Describe in Section 2)	
(Describe in Section 5)		Installment Account (Auto).....	\$ 36349
Accounts & Notes Receivable.....	\$ 0	Mo. Payments \$ 1081	
(Describe in Section 5)		Installment Account (Other).....	\$ 789
Life Insurance – Cash Surrender Value Only.....	\$ 0	Mo. Payments \$	
(Describe in Section 8)		Loan(s) Against Life Insurance.....	\$ 0
Stocks and Bonds.....	\$ 0	Mortgages on Real Estate.....	\$ 222500
(Describe in Section 3)		(Describe in Section 4)	
Real Estate.....	\$ 250000	Unpaid Taxes.....	\$ 7936
(Describe in Section 4)		(Describe in Section 6)	
Automobiles.....	\$ 48466	Other Liabilities.....	\$ 0
(Describe in Section 5, and include Year/Make/Model)		(Describe in Section 7)	
Other Personal Property.....	\$ 35000	Total Liabilities.....	\$ 412643
(Describe in Section 5)		Net Worth.....	\$ 209608
Other Assets.....	\$ 272575		
(Describe in Section 5)		<b>Total Liabilities &amp; Net Worth</b>	<b>\$ 622251</b>
<b>Total Assets</b>	<b>\$ 622251</b>		<b>*Must equal total in assets column.</b>

Section 1. Source of Income.	Contingent Liabilities		
Salary.....	\$ 30000	As Endorser or Co-Maker.....	\$ 0
Net Investment Income.....	\$ 173	Legal Claims & Judgments.....	\$ 0
Real Estate Income.....	\$ 0	Provision for Federal Income Tax.....	\$ 0
Other Income (Describe below)*.....	\$ 0	Other Special Debt.....	\$ 0

**Description of Other Income in Section 1.**

Wife's salary and interest on savings account

\*Alimony or child support payments should not be disclosed in "Other Income" unless it is desired to have such payments counted toward total income.

**Section 2. Notes Payable to Banks and Others.** (Use attachments if necessary. Each attachment must be identified as part of this statement and signed.)

Names and Addresses of Noteholder(s)	Original Balance	Current Balance	Payment Amount	Frequency (monthly, etc.)	How Secured or Endorsed Type of Collateral
SBA - S&B Trust Company	75000	50000	573.74	Monthly	Inventory & leasehold improvements

**Section 3. Stocks and Bonds.** (Use attachments if necessary. Each attachment must be identified as part of this statement and signed.)

Number of Shares	Name of Securities	Cost	Market Value Quotation/Exchange	Date of Quotation/Exchange	Total Value

**Section 4. Real Estate Owned.** (List each parcel separately. Use attachment if necessary. Each attachment must be identified as a part of this statement and signed.)

	Property A	Property B	Property C
Type of Real Estate (e.g. Primary Residence, Other Residence, Rental Property, Land, etc.)	Primary residence		
Address	213 Underwood Street, Canton, GA		
Date Purchased	July 14, 2011		
Original Cost	300,000		
Present Market Value	250,000		
Name & Address of Mortgage Holder	Appalachian Mtg, Ellijay, GA		
Mortgage Account Number	12-6399699		
Mortgage Balance	222,500		
Amount of Payment per Month/Year	1,393		
Status of Mortgage	Current		

**Section 5. Other Personal Property and Other Assets.** (Describe, and, if any is pledged as security, state name and address of lien holder, amount of lien, terms of payment and, if delinquent, describe delinquency.)

2011 Jeep Grand Cherokee (13,899), 2014 Ford F-150 Crew Cab (34,567), household goods (35,000), leasehold improvements (store) (10,000), inventory (store) 272,575

**Section 6. Unpaid Taxes.** (Describe in detail as to type, to whom payable, when due, amount, and to what property, if any, a tax lien attaches.)

7,963 (state sales and use taxes)

**Section 7. Other Liabilities.** (Describe in detail.)

Credit card (789), 2011 Jeep Grand Cherokee (10,424), 2014 Ford F-150 (25,925), accounts payable for store: Shamrock Groceries (13,898), Discount Tobacco (9,079), Marietta Bev. (4,893), GA-TN Fuel (66,998), Jenkins Media (201)

**Section 8. Life Insurance Held.** (Give face amount and cash surrender value of policies – name of insurance company and Beneficiaries.)

I authorize the SBA/Lender/Surety Company to make inquiries as necessary to verify the accuracy of the statements made and to determine my creditworthiness.

**CERTIFICATION:** (to be completed by each person submitting the information requested on this form)

By signing this form, I certify under penalty of criminal prosecution that all information on this form and any additional supporting information submitted with this form is true and complete to the best of my knowledge. I understand that SBA or its participating Lenders or Certified Development Companies or Surety Companies will rely on this information when making decisions regarding an application for a loan or a surety bond. I further certify that I have read the attached statements required by law and executive order.

Signature	<i>Gregory H. Larsen</i>	Date	01/07/2014	–
Print Name	Gregory H. Larsen	Social Security No.	800-98-1234	–
Signature		Date		–
Print Name		Social Security No.		–

**NOTICE TO LOAN AND SURETY BOND APPLICANTS: CRIMINAL PENALTIES AND ADMINISTRATIVE REMEDIES FOR FALSE STATEMENTS:**

Knowingly making a false statement on this form is a violation of Federal law and could result in criminal prosecution, significant civil penalties, and a denial of your loan or surety bond application. A false statement is punishable under 18 U.S.C. §§ 1001 and 3571 by imprisonment of not more than five years and/or a fine of up to \$250,000; under 15 U.S.C. § 645 by imprisonment of not more than two years and/or a fine of not more than \$5,000; and, if submitted to a Federally-insured institution, a false statement is punishable under 18 U.S.C. § 1014 by imprisonment of not more than thirty years and/or a fine of not more than \$1,000,000. Additionally, false statements can lead to treble damages and civil penalties under the False Claims Act, 31 U.S.C. § 3729, and other administrative remedies including suspension and debarment.

PLEASE NOTE: The estimated average burden hours for the completion of this form is 1.5 hours per response. If you have questions or comments concerning this estimate or any other aspect of this information, please contact Chief, Administrative Branch, U.S. Small Business Administration, Washington, D.C. 20416, and Clearance officer, paper Reduction Project (3245-0188), Office of Management and Budget, Washington, D.C. 20503. PLEASE DO NOT SEND FORMS TO OMB.

OMB APPROVAL NO.: 3245-0188  
 EXPIRATION DATE: 01/31/2018

**PERSONAL FINANCIAL STATEMENT**  
**7(a) / 504 LOANS AND SURETY BONDS**

U.S. SMALL BUSINESS ADMINISTRATION

As of January 7, 2015

SBA uses the information required by this Form 413 as one of a number of data sources in analyzing the repayment ability and creditworthiness of an application for an SBA guaranteed 7(a) or 504 loan or a guaranteed surety.

Complete this form for: (1) each proprietor; (2) general partner; (3) managing member of a limited liability company (LLC); (4) each owner of 20% or more of the equity of the Applicant (including the assets of the owner's spouse and any minor children); and (5) any person providing a guaranty on the loan

**Return completed form to:**

- For 7(a) loans: the lender processing the application for SBA guaranty
- For 504 loans: the Certified Development Company (CDC) processing the application for SBA guaranty
- For Surety Bonds: the Surety Company or Agent processing the application for surety bond guaranty

**Name** Gregory H. Larsen **Business Phone** 770-735-1234

**Home Address** 213 Underwood Street **Home Phone** 770-735-9876

**City, State, & Zip Code** Canton, GA 30115

**Business Name of Applicant** Gregory H. Larsen dba Larsen's Convenience Store

ASSETS	(Omit Cents)	LIABILITIES	(Omit Cents)
Cash on Hand & in banks.....	\$ 4122	Accounts Payable.....	\$ 97032
Savings Accounts.....	\$ 1789	Notes Payable to Banks and Others.....	\$ 47500
IRA or Other Retirement Account.....	\$ 0	(Describe in Section 2)	
(Describe in Section 5)		Installment Account (Auto).....	\$ 30445
Accounts & Notes Receivable.....	\$ 0	Mo. Payments	\$ 1081
(Describe in Section 5)		Installment Account (Other).....	\$ 2167
Life Insurance – Cash Surrender Value Only.....	\$ 0	Mo. Payments	\$
(Describe in Section 8)		Loan(s) Against Life Insurance.....	\$ 0
Stocks and Bonds.....	\$ 0	Mortgages on Real Estate.....	\$ 211375
(Describe in Section 3)		(Describe in Section 4)	
Real Estate.....	\$ 260000	Unpaid Taxes.....	\$ 7987
(Describe in Section 4)		(Describe in Section 6)	
Automobiles.....	\$ 35985	Other Liabilities.....	\$ 0
(Describe in Section 5, and include		(Describe in Section 7)	
Year/Make/Model)		Total Liabilities.....	\$ 396506
Other Personal Property.....	\$ 35000	Net Worth.....	\$ 224826
(Describe in Section 5)			
Other Assets.....	\$ 274436		
(Describe in Section 5)		<b>Total Liabilities &amp; Net Worth</b>	<b>\$ 621332</b>
<b>Total Assets</b>	<b>\$ 621332</b>		<b>*Must equal total in assets column.</b>

Section 1. Source of Income.	Contingent Liabilities		
Salary.....	\$ 36000	As Endorser or Co-Maker.....	\$ 0
Net Investment Income.....	\$ 243	Legal Claims & Judgments.....	\$ 0
Real Estate Income.....	\$ 0	Provision for Federal Income Tax.....	\$ 0
Other Income (Describe below)*.....	\$ 0	Other Special Debt.....	\$ 0

**Description of Other Income in Section 1.**

Wife's salary and interest on savings account

\*Alimony or child support payments should not be disclosed in "Other Income" unless it is desired to have such payments counted toward total income.

**Section 2. Notes Payable to Banks and Others.** (Use attachments if necessary. Each attachment must be identified as part of this statement and signed.)

Names and Addresses of Noteholder(s)	Original Balance	Current Balance	Payment Amount	Frequency (monthly, etc.)	How Secured or Endorsed Type of Collateral
SBA - S&B Trust Company	75000	47500	573.74	Monthly	Inventory & leasehold improvements

**Section 3. Stocks and Bonds.** (Use attachments if necessary. Each attachment must be identified as part of this statement and signed.)

Number of Shares	Name of Securities	Cost	Market Value Quotation/Exchange	Date of Quotation/Exchange	Total Value

**Section 4. Real Estate Owned.** (List each parcel separately. Use attachment if necessary. Each attachment must be identified as a part of this statement and signed.)

	Property A	Property B	Property C
Type of Real Estate (e.g. Primary Residence, Other Residence, Rental Property, Land, etc.)	Primary residence		
Address	213 Underwood Street, Canton, GA		
Date Purchased	July 14, 2011		
Original Cost	300,000		
Present Market Value	260,000		
Name & Address of Mortgage Holder	Appalachian Mtg, Ellijay, GA		
Mortgage Account Number	12-6399699		
Mortgage Balance	222,500		
Amount of Payment per Month/Year	1,393		
Status of Mortgage	Current		

**Section 5. Other Personal Property and Other Assets.** (Describe, and, if any is pledged as security, state name and address of lien holder, amount of lien, terms of payment and, if delinquent, describe delinquency.)

2011 Jeep Grand Cherokee (11,788), 2014 Ford F-150 Crew Cab (24,197), household goods (25,000), leasehold improvements (store) (10,000), inventory (store) (274,436)

**Section 6. Unpaid Taxes.** (Describe in detail as to type, to whom payable, when due, amount, and to what property, if any, a tax lien attaches.)

7,987 (state sales and use taxes)

**Section 7. Other Liabilities.** (Describe in detail.)

Credit card (2,167), 2011 Jeep Grand Cherokee (8,841), 2014 Ford F-150 (21,604), accounts payable for store: Shamrock Groceries (14,877), Discount Tobacco (9,877), Marietta Bev. (5,079), GA-TN Fuel (67,001), Jenkins Media (198)

**Section 8. Life Insurance Held.** (Give face amount and cash surrender value of policies – name of insurance company and Beneficiaries.)

I authorize the SBA/Lender/Surety Company to make inquiries as necessary to verify the accuracy of the statements made and to determine my creditworthiness.

**CERTIFICATION:** (to be completed by each person submitting the information requested on this form)

By signing this form, I certify under penalty of criminal prosecution that all information on this form and any additional supporting information submitted with this form is true and complete to the best of my knowledge. I understand that SBA or its participating Lenders or Certified Development Companies or Surety Companies will rely on this information when making decisions regarding an application for a loan or a surety bond. I further certify that I have read the attached statements required by law and executive order.

Signature	<i>Gregory H. Larsen</i>	Date	01/07/2015	—
Print Name	Gregory H. Larsen	Social Security No.	800-98-1234	—
Signature		Date		—
Print Name		Social Security No.		—

**NOTICE TO LOAN AND SURETY BOND APPLICANTS: CRIMINAL PENALTIES AND ADMINISTRATIVE REMEDIES FOR FALSE STATEMENTS:**

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OMB APPROVAL NO.: 3245-0188  
EXPIRATION DATE: 01/31/2018

**PERSONAL FINANCIAL STATEMENT**  
**7(a) / 504 LOANS AND SURETY BONDS**

U.S. SMALL BUSINESS ADMINISTRATION

As of January 7, 2016

SBA uses the information required by this Form 413 as one of a number of data sources in analyzing the repayment ability and creditworthiness of an application for an SBA guaranteed 7(a) or 504 loan or a guaranteed surety.

Complete this form for: (1) each proprietor; (2) general partner; (3) managing member of a limited liability company (LLC); (4) each owner of 20% or more of the equity of the Applicant (including the assets of the owner's spouse and any minor children); and (5) any person providing a guaranty on the loan

**Return completed form to:**

- For 7(a) loans: the lender processing the application for SBA guaranty
- For 504 loans: the Certified Development Company (CDC) processing the application for SBA guaranty
- For Surety Bonds: the Surety Company or Agent processing the application for surety bond guaranty

**Name** Gregory H. Larsen **Business Phone** 770-735-1234

**Home Address** 213 Underwood Street **Home Phone** 770-735-9876

**City, State, & Zip Code** Canton, GA 30115

**Business Name of Applicant** Gregory H. Larsen dba Larsen's Convenience Store

ASSETS	(Omit Cents)	LIABILITIES	(Omit Cents)
Cash on Hand & in banks.....	\$ 127	Accounts Payable.....	\$ 95915
Savings Accounts.....	\$ 617	Notes Payable to Banks and Others.....	\$ 45125
IRA or Other Retirement Account.....	\$ 0	(Describe in Section 2)	
(Describe in Section 5)		Installment Account (Auto).....	\$ 24358
Accounts & Notes Receivable.....	\$ 0	Mo. Payments \$ 1081	
(Describe in Section 5)		Installment Account (Other).....	\$ 7864
Life Insurance – Cash Surrender Value Only.....	\$ 0	Mo. Payments \$	
(Describe in Section 8)		Loan(s) Against Life Insurance.....	\$ 0
Stocks and Bonds.....	\$ 0	Mortgages on Real Estate.....	\$ 200806
(Describe in Section 3)		(Describe in Section 4)	
Real Estate.....	\$ 267800	Unpaid Taxes.....	\$ 8042
(Describe in Section 4)		(Describe in Section 6)	
Automobiles.....	\$ 31209	Other Liabilities.....	\$ 0
(Describe in Section 5, and include Year/Make/Model)		(Describe in Section 7)	
Other Personal Property.....	\$ 35000	Total Liabilities.....	\$ 382110
(Describe in Section 5)		Net Worth.....	\$ 302568
Other Assets.....	\$ 339925		
(Describe in Section 5)		<b>Total Liabilities &amp; Net Worth</b>	<b>\$ 684678</b>
<b>Total Assets</b>	<b>\$ 684678</b>		<b>*Must equal total in assets column.</b>

Section 1. Source of Income.	Contingent Liabilities		
Salary.....	\$ 21375	As Endorser or Co-Maker.....	\$ 0
Net Investment Income.....	\$ 12	Legal Claims & Judgments.....	\$ 0
Real Estate Income.....	\$ 0	Provision for Federal Income Tax.....	\$ 0
Other Income (Describe below)*.....	\$ 0	Other Special Debt.....	\$ 0

**Description of Other Income in Section 1.**

Wife's salary and interest on savings account

\*Alimony or child support payments should not be disclosed in "Other Income" unless it is desired to have such payments counted toward total income.

**Section 2. Notes Payable to Banks and Others.** (Use attachments if necessary. Each attachment must be identified as part of this statement and signed.)

Names and Addresses of Noteholder(s)	Original Balance	Current Balance	Payment Amount	Frequency (monthly, etc.)	How Secured or Endorsed Type of Collateral
SBA - S&B Trust Company	75000	45125	573.74	Monthly	Inventory & leasehold improvements

**Section 3. Stocks and Bonds.** (Use attachments if necessary. Each attachment must be identified as part of this statement and signed.)

Number of Shares	Name of Securities	Cost	Market Value Quotation/Exchange	Date of Quotation/Exchange	Total Value

**Section 4. Real Estate Owned.** (List each parcel separately. Use attachment if necessary. Each attachment must be identified as a part of this statement and signed.)

	Property A	Property B	Property C
Type of Real Estate (e.g. Primary Residence, Other Residence, Rental Property, Land, etc.)	Primary residence		
Address	213 Underwood Street, Canton, GA		
Date Purchased	July 14, 2011		
Original Cost	300,000		
Present Market Value	267800		
Name & Address of Mortgage Holder	Appalachian Mtg, Ellijay, GA		
Mortgage Account Number	12-6399699		
Mortgage Balance	222,500		
Amount of Payment per Month/Year	1,393		
Status of Mortgage	Current		

**Section 5. Other Personal Property and Other Assets.** (Describe, and, if any is pledged as security, state name and address of lien holder, amount of lien, terms of payment and, if delinquent, describe delinquency.)

2011 Jeep Grand Cherokee (9,432), 2014 Ford F-150 Crew Cab (21,777), household goods (25,000), leasehold improvements (store) (10,000), inventory (store) (339,925)

**Section 6. Unpaid Taxes.** (Describe in detail as to type, to whom payable, when due, amount, and to what property, if any, a tax lien attaches.)

7,987 (state sales and use taxes)

**Section 7. Other Liabilities.** (Describe in detail.)

Credit card (7,864), 2011 Jeep Grand Cherokee (7,074), 2014 Ford F-150 (17,284), accounts payable for store: Shamrock Groceries (14,380), Discount Tobacco (9,123), Marietta Bev. (5,144), GA-TN Fuel (67,056), Jenkins Media (210)

**Section 8. Life Insurance Held.** (Give face amount and cash surrender value of policies – name of insurance company and Beneficiaries.)

I authorize the SBA/Lender/Surety Company to make inquiries as necessary to verify the accuracy of the statements made and to determine my creditworthiness.

**CERTIFICATION:** (to be completed by each person submitting the information requested on this form)

By signing this form, I certify under penalty of criminal prosecution that all information on this form and any additional supporting information submitted with this form is true and complete to the best of my knowledge. I understand that SBA or its participating Lenders or Certified Development Companies or Surety Companies will rely on this information when making decisions regarding an application for a loan or a surety bond. I further certify that I have read the attached statements required by law and executive order.

Signature	<i>Gregory H. Larsen</i>	Date	01/07/2016	–
Print Name	Gregory H. Larsen	Social Security No.	800-98-1234	–
Signature		Date		–
Print Name		Social Security No.		–

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## Georgia Department of Revenue

Greg H. Larsen, III dba Larsen's Convenience

Transcript Totals

2015 Sales and Use Taxes per Form ST-3

Month	Total State Sales	Exempt State Sales	Taxable State Sales	Total Sales Tax
January	\$ 116,839	\$ -	\$ 116,839	\$ 8,179
February	117,841	-	117,841	8,249
March	117,236	-	117,236	8,207
April	117,589	-	117,589	8,231
May	117,710	7	117,703	8,239
June	117,935	-	117,935	8,255
July	116,153	-	116,153	8,131
August	116,669	-	116,669	8,167
September	117,233	-	117,233	8,206
October	116,967	109	116,858	8,180
November	116,725	-	116,725	8,171
December	116,883	-	116,883	8,182
	<b>\$ 1,405,780</b>	<b>\$ 116</b>	<b>\$ 1,405,664</b>	<b>\$ 98,396</b>

**SHAMROCK GROCERIES**

171 HAMPTON COURT, DORAVILLE, GA 30340

**Greg H. Larsen, III dba Larsen's Convenience  
2015 Purchases by Month**

Month	Total State Sales	Accounts Payable
January	\$ 14,332	\$ 14,332
February	14,569	14,569
March	14,231	14,231
April	14,313	14,313
May	15,893	15,893
June	13,722	13,722
July	14,177	14,177
August	13,798	13,798
September	13,651	27,449
October	14,433	41,882
November	14,489	41,882
December	14,380	41,882
	<u>\$ 171,988</u>	<u>\$ 41,882</u>

**Georgia-Tennessee Fuel Partners**  
**4279 Fulton Industrial Blvd SW 30336**

**Greg H. Larsen, III dba Larsen's Convenience**  
**2015 Purchases by Month**

<b>Month</b>	<b>Total State Sales</b>	<b>Accounts Payable</b>
January	\$ 66,563	\$ 66,563
February	66,501	66,501
March	63,798	63,798
April	64,899	64,899
May	67,899	67,899
June	67,563	67,563
July	67,523	67,523
August	66,998	66,998
September	66,789	133,787
October	66,521	200,308
November	66,634	200,308
December	67,058	200,308
	<b>\$ 798,746</b>	<b>\$ 200,308</b>

**Marietta Beverage Company**  
**613 Twelfth Street, Marietta GA 30060**

Greg H. Larsen, III dba Larsen's Convenience  
 2015 Purchases by Month

Month	Total State Sales	Accounts Payable
January	\$ 5,130	\$ 5,130
February	5,031	5,031
March	5,079	5,079
April	5,139	5,139
May	5,201	5,201
June	5,223	5,223
July	5,127	5,127
August	5,137	5,137
September	5,148	10,285
October	5,099	15,384
November	5,102	15,384
December	5,144	15,384
	\$ 61,560	\$ 15,384

## DISCOUNT TOBACCO SUPPLY

877 Dubai Circle, Marietta, GA 30006

### Greg H. Larsen, III dba Larsen's Convenience 2015 Purchases by Month

<i>Month</i>	<i>Total State Sales</i>	<i>\$</i>	<i>Accounts Payable (EOM)</i>
<i>January</i>	8,981	<i>\$</i>	8,981
<i>February</i>	8,793		8,793
<i>March</i>	8,564		8,564
<i>April</i>	8,692		8,692
<i>May</i>	8,379		8,379
<i>June</i>	8,913		8,913
<i>July</i>	8,799		8,799
<i>August</i>	8,968		8,968
<i>September</i>	8,963		17,931
<i>October</i>	9,103		27,034
<i>November</i>	8,844		27,034
<i>December</i>	9,123		27,034
	<b><u>\$ 106,122</u></b>	<b><u>\$</u></b>	<b><u>27,034</u></b>

**JENKINS MEDIA SERVICES**  
 6313 Hwy 92, Woodstock GA 30188

Greg H. Larsen, III dba Larsen's Convenience  
 2015 Purchases by Month

<i>Month</i>	<i>Total State Sales</i>		<i>Accounts Payable (EOM)</i>
January	201	\$	201
February	211		211
March	198		198
April	197		197
May	206		206
June	189		189
July	185		185
August	194		194
September	196		196
October	204		400
November	207		400
December	210		400
	<u>\$ 2,398</u>	\$	<u>400</u>

10/30/2015

Unleaded	10,846.00	Coors	9,114.00
Premium	4,523.00	Coors Light	7,568.00
Diesel	3,394.00	Budweizer	9,650.00
<b>TOTAL FUEL</b>	<b>18,763.00</b>	Budweizer Light	8,921.00
		Warsteiner	463.00
Basic	11,185.00	Miller	2,996.00
Benson & Hedges	1,026.00	Miller Light	1,666.00
Camel	11,730.00	Schlitz	357.00
Chesterfield	2,650.00	Red Dog	101.00
Kent	7,951.00	Rolling Rock	213.00
Kool	21,354.00	Samuel Adams	269.00
Marlboro	21,607.00	Colt 45	277.00
Max	9,882.00	Pabst Blue Ribbon	399.00
Newport	9,745.00	Das Equis	1,377.00
Winston	20,216.00	Corona	1,652.00
Winston Lights	21,724.00	Diet Dr. Pepper	321.00
Swisher Sweets	998.00	Fanta	225.00
Dutch Masters	917.00	Diet Mountain Dew	299.00
Palma	938.00	Diet Pepsi	369.00
Iguana Little Cigars	1,091.00	Sprite	273.00
Hoyo de Monterrey Excalibur	762.00	Dr. Pepper	169.00
Griffins	1,089.00	Pepsi	370.00
Rembrandts	1,145.00	Mountain Dew	297.00
Remington Filtered	560.00	Diet Coke	349.00
Redman	891.00	Coke	379.00
Beechnut	963.00	Snapple	226.00
Levi Gannet	1,642.00	Snapple Red	179.00
Southern Pride	909.00	A&W Root Beer	267.00
Grizzly FC Wintersgreen	1,438.00	Cheerwine	189.00
Copenhagen Straight	5,990.00	Crush	197.00
Skool LC Spearmint	6,987.00	Neki	237.00
Timberwolf LC Straight	6,017.00	Pibb Xtra	301.00
Grizzly Snuff	5,909.00	Sunkist	159.00
<b>TOTAL TOBACCO</b>	<b>177,316.00</b>	Sun Drop	137.00
		<b>TOTAL BEVERAGE</b>	<b>49,966.00</b>

Lays	3,101.00
Doritos	3,121.00
Fritos	2,697.00
Sun Chips	1,289.00
Baked	1,707.00
Rold Gold	655.00
Sabra	437.00
Tostitos	1,137.00
Lance Crackers	997.00
Chips Ahoy	969.00
Newtons	737.00
Orca	1,065.00
Teddy Grahams	703.00
Wheat Thins	716.00
Ding Dong	936.00
Ho Hos	899.00
Twinkie	1,069.00
Zingers	1,104.00
Hot dogs	1,897.00
Burritos	798.00
Hamburgers	2,156.00
TOTAL GROCERIES	<u>28,190.00</u>
Magazines	317.00
Maps	165.00
TOTAL PRINT MEDIA	<u>482.00</u>
TOTAL INVENTORY	<u><u>274,717.00</u></u>

## 7-2 CASE 2: CHECK FRAUD, DEBIT CARD FRAUD, CASH LARCENY (ANDERSON INTERNAL MEDICINE)

### Bank Reconciliation—Anderson Internal Medicine

Prepared by Tonya Larsen on April 1, 2016

Balance per bank	\$ (5,945.43)	Balance per books	\$ 751.78
Add: Deposit(s) in transit	2,219.02	Less: NSF check	(140.00)
	2,163.19		
	2,175.00		
Less: Checks in transit	-	Add: interest earned	-
	<hr/>		<hr/>
Reconciled balance	<u>\$ 611.78</u>	Reconciled balance	<u>\$ 611.78</u>

**Bank of Lawrenceville**  
 Lawrenceville GA 33042  
 www.bkofville.com

**Statement Period:**  
**03/01/16 to 03/31/16**  
**Account 20018877**

**ANDERSON INTERNAL MEDICINE, LLC**  
**199 SHORTER DRIVE, STE 201**  
**LAWRENCEVILLE, GA 30043**

\*\*\*\*\* **BANK OF LAWRENCEVILLE CHECKING - SUMMARY** \*\*\*\*\*

Balance as of February 29, 2016		\$	526.21
Total Deposits and Credits:	26	+	37,139.68
Total Checks and Debits:	30	-	43,331.32
Service Charges:	8	-	280.00
Interest Earned:	0	+	-
Ending Balance as of March 31, 2016		\$	<u>(5,945.43)</u>

\*\*\*\*\* **CHECKS** \*\*\*\*\*

Date	Number	Amount	Date	Number	Amount
3/2	1019	1,239.59	3/21	1031	256.00
3/2	1020	768.00	3/21	1032	149.00
3/2	1021	127.00	3/25	1033	1,532.98
3/8	1022	2,991.63	3/28	1034	1,266.45
3/9	1023	1,913.13	3/28	1035	256.00
3/14	1024	3,234.12	3/28	1036	125.00
3/14	1025	1,234.59	3/28	1037	7,050.28
3/15	1026	768.00	3/29	1038*	2,339.50
3/16	1027	135.00	3/28	2023	3,123.55
3/17	1028	1,847.63	3/24	2024	4,039.30
3/18	1029	1,455.53	3/29	2025	2,501.66
3/21	1030	1,179.89	3/29	2026	2,497.89

\* Skip in check number sequence

\*\*\*\*\* **OTHER DEBITS** \*\*\*\*\*

3/3	110.00	ATM Withdrawal - 987 Hwy 5, Canton, GA 0007534
3/11	100.00	ATM Withdrawal - 987 Hwy 5, Canton, GA 0007735
3/14	147.00	POS DEB 22:37 3/13/16 Strip TZ Sports Grill 31977 Athens, GA
3/14	277.98	POS DEB 8:58 3/12/16 Food-Mart 21408741 Canton, GA
3/21	294.65	POS DEB 14:56 3/19/16 Food-Mart 21408741 Canton, GA
3/28	369.97	POS DEB 14:38 3/27/16 Food-Mart 21408741 Canton, GA

\*\*\*\*\* **CREDITS** \*\*\*\*\*

Date	Amount	Description
3/1	1,734.40	DDR REGULAR DEPOSIT
3/3	1,298.30	DDR REGULAR DEPOSIT
3/3	2,307.43	DDR REGULAR DEPOSIT

**FDIC**

**Bank of Lawrenceville**  
 Lawrenceville GA 33042  
 www.bkoffville.com

**Statement Period:**  
**03/01/16 to 03/31/16**  
**Account 20018877**

**ANDERSON INTERNAL MEDICINE, LLC**  
**199 SHORTER DRIVE, STE 201**  
**LAWRENCEVILLE, GA 30043**

3/3	1,782.53	DDR REGULAR DEPOSIT
3/4	1,587.53	DDR REGULAR DEPOSIT
3/4	1,241.61	DDR REGULAR DEPOSIT
3/8	1,139.63	DDR REGULAR DEPOSIT
3/9	1,503.27	DDR REGULAR DEPOSIT
3/9	1,763.82	DDR REGULAR DEPOSIT
3/10	1,477.74	DDR REGULAR DEPOSIT
3/10	1,313.93	DDR REGULAR DEPOSIT
3/11	1,551.82	DDR REGULAR DEPOSIT
3/11	1,273.16	DDR REGULAR DEPOSIT
3/11	1,219.92	DDR REGULAR DEPOSIT
3/11	1,399.92	DDR REGULAR DEPOSIT
3/15	1,783.23	DDR REGULAR DEPOSIT
3/15	1,098.49	DDR REGULAR DEPOSIT
3/17	1,467.13	DDR REGULAR DEPOSIT
3/17	1,142.96	DDR REGULAR DEPOSIT
3/18	1,121.06	DDR REGULAR DEPOSIT
3/18	1,887.37	DDR REGULAR DEPOSIT
3/22	1,703.45	DDR REGULAR DEPOSIT
3/24	1,140.92	DDR REGULAR DEPOSIT
3/25	1,068.76	DDR REGULAR DEPOSIT
3/28	1,126.09	DDR REGULAR DEPOSIT
3/29	1,005.21	DDR REGULAR DEPOSIT

\*\*\*\*\* DAILY BALANCE \*\*\*\*\*

Date	Balance	Date	Balance	Date	Balance
3/1	2,260.61	3/11	15,871.87	3/23	15,096.17
3/2	126.02	3/14	10,210.18	3/24	12,197.79
3/3	5,404.28	3/15	13,091.90	3/25	11,733.57
3/4	8,233.42	3/16	12,956.90	3/28	668.41
3/7	8,233.42	3/17	13,719.36	3/29	668.41
3/8	6,381.42	3/18	15,272.26	3/30	1,673.62
3/9	7,735.38	3/21	13,392.72	3/31	(5,945.43)
3/10	10,527.05	3/22	15,096.17		

\*\*\*\*\* OVERDRAFT AND RETURN ITEM FEES \*\*\*\*\*

Date	Amount	Description
3/31	140.00	Overdraft fees
3/31	140.00	Returned check fees

FDIC

64-777/611		1019	
ANDERSON INTERNAL MEDICINE,LLC Lawrenceville, GA		DATE	3/1/2016
PAY TO THE ORDER OF <u>Linens to You</u> \$1,239.59			
One thousand two hundred thirty-nine and 59/100 Dollars			
BANK OF LAWRENCEVILLE Lawrenceville, GA 33042			
FOR <u>Jennifer L. Anderson</u>			
:062110777	:007018188	1019	: 0000123959

Account: 7018188		PLEASE POST THIS PAYMENT FOR OUR MUTUAL CUSTOMER		\$256.00
Please Direct Any Question To 3019 Processing Center		OR 987-0166	64-777/611	00001031
ANDERSON INTERNAL MEDICINE, LLC Lawrenceville, GA		DATE	March 18, 2016	
BANK OF LAWRENCEVILLE				
Pay	Two hundred fifty-six and 00/100		DOLLARS	*****\$256.00
TO THE ORDER OF PHYSICIANS CENTRAL PO BOX 987 COMMERCE, GA 30528				
:062110777				

Account: 7018188		PLEASE POST THIS PAYMENT FOR OUR MUTUAL CUSTOMER		\$768.00
Please Direct Any Question To 3019 Processing Center		OR 987-0166	64-777/611	00001020
ANDERSON INTERNAL MEDICINE, LLC Lawrenceville, GA		DATE	March 1, 2016	
BANK OF LAWRENCEVILLE				
Pay	Seven hundred sixty-eight and 00/100		DOLLARS	*****\$768.00
TO THE ORDER OF PHYSICIANS CENTRAL PO BOX 987 COMMERCE, GA 30528				
:062110777				

64-777/611		1032	
ANDERSON INTERNAL MEDICINE,LLC Lawrenceville, GA		DATE	3/18/2016
PAY TO THE ORDER OF <u>Johnson Medical Coding</u> \$149.00			
One hundred forty-nine and -----00/100 Dollars			
BANK OF LAWRENCEVILLE Lawrenceville, GA 33042			
FOR <u>Jennifer L. Anderson</u>			
:062110777	:007018188	1032	: 0000014900

64-777/611		1021	
ANDERSON INTERNAL MEDICINE,LLC Lawrenceville, GA		DATE	3/1/2016
PAY TO THE ORDER OF <u>Johnson Medical Coding</u> \$127.00			
One hundred twenty-seven and -----00/100 Dollars			
BANK OF LAWRENCEVILLE Lawrenceville, GA 33042			
FOR <u>Jennifer L. Anderson</u>			
:062110777	:007018188	1021	: 0000012700

64-777/611		1033	
ANDERSON INTERNAL MEDICINE,LLC Lawrenceville, GA		DATE	3/21/2016
PAY TO THE ORDER OF <u>Andrew &amp; Duvall, CPAs, LLC</u> \$1,532.98			
One thousand five hundred thirty-two and -- 98/100 Dollars			
BANK OF LAWRENCEVILLE Lawrenceville, GA 33042			
FOR <u>Jennifer L. Anderson</u>			
:062110777	:007018188	1033	: 0000153298

**For Deposit Only**  
**Johnson Medical Coding**

Do Not Write Below This Line

*Mar 0301 - 8537922*

Bank of Lawrenceville

**For Deposit Only**  
**Physicians Central Insurance**

Do Not Write Below This Line

Mar 0301 - 8537315

Bank of Lawrenceville

**For Deposit Only**  
**Linens to You**

Do Not Write Below This Line

Mar 0301 - 8536211

Bank of Lawrenceville

*For Deposit Only*  
*Andrew & Duvall, CPAs,*  
*LLC*

Do Not Write Below This Line

Mar 03221 - 3678250

Bank of Lawrenceville

**For Deposit Only**  
**Johnson Medical Coding**

Do Not Write Below This Line

Mar 0321- 3678250

Bank of Lawrenceville

**For Deposit Only**  
**Physicians Central Insurance**

Do Not Write Below This Line

*Mar 0318 - 3678892*

*Bank of Lawrenceville*

64-777/611		<b>1022</b>
ANDERSON INTERNAL MEDICINE,LLC Lawrenceville, GA		
DATE		3/7/2016
PAY TO THE ORDER OF	Atlanta Medical Supply	\$2,991.63
		Two thousand nine hundred ninety-one and 99/100 Dollars
BANK OF LAWRENCEVILLE Lawrenceville, GA 33042		
FOR	Jennifer L. Anderson	
:062110777	:007018188	1022 : 0000299163

64-777/611		<b>1034</b>
ANDERSON INTERNAL MEDICINE,LLC Lawrenceville, GA		
DATE		3/25/2016
PAY TO THE ORDER OF	Linens to You	\$1,266.45
		One thousand two hundred sixty-six and 45/100 Dollars
BANK OF LAWRENCEVILLE Lawrenceville, GA 33042		
FOR	Jennifer L. Anderson	
:062110777	:007018188	1034 : 0000126645

64-777/611		<b>1023</b>
ANDERSON INTERNAL MEDICINE,LLC Lawrenceville, GA		
DATE		3/7/2016
PAY TO THE ORDER OF	Central Office Supply	\$1,913.13
		One thousand nine hundred thirteen and 13/100 Dollars
BANK OF LAWRENCEVILLE Lawrenceville, GA 33042		
FOR	Jennifer L. Anderson	
:062110777	:007018188	1023 : 0000191313

Account: 7018188	PLEASE POST THIS PAYMENT FOR OUR MUTUAL CUSTOMER	<b>\$256.00</b>
<small>Please Check Any Question To 229 Processing Center</small>	<small>(BRI) BRP On-line BR Payment</small>	64-777/611
ANDERSON INTERNAL MEDICINE, LLC Lawrenceville, GA		<b>00001035</b>
		<b>March 25, 2016</b>
Pay <b>BANK OF LAWRENCEVILLE</b>		
	Two hundred fifty-six and 00/100	DOLLARS
		*****\$256.00
TO THE ORDER OF	PHYSICIANS CENTRAL PO BOX 987 COMMERCE, GA 30528	
:062110777		

64-777/611		<b>1024</b>
ANDERSON INTERNAL MEDICINE,LLC Lawrenceville, GA		
DATE		3/9/2016
PAY TO THE ORDER OF	Georgia Power Company	\$3,234.12
		Three thousand two hundred thirty-four & 12/100 Dollars
BANK OF LAWRENCEVILLE Lawrenceville, GA 33042		
FOR	Jennifer L. Anderson	
:062110777	:007018188	1024 : 0000323412

64-777/611		<b>1036</b>
ANDERSON INTERNAL MEDICINE,LLC Lawrenceville, GA		
DATE		3/25/2016
PAY TO THE ORDER OF	Johnson Medical Coding	\$125.00
		One hundred twenty-five and -----00/100 Dollars
BANK OF LAWRENCEVILLE Lawrenceville, GA 33042		
FOR	Jennifer L. Anderson	
:062110777	:007018188	1036 : 0000012500

For Deposit Only  
Georgia Power Company

Do Not Write Below This Line

Mar 0311 - 8539997

*DeKalb Bank and Trust  
Bank of Lawrenceville*

**For Deposit Only  
Central Office Supply**

Do Not Write Below This Line

Mar 0308 - 8539997

First Atlanta Bank and  
Trust Bank of  
Lawrenceville

**For Deposit Only  
Atlanta Medical Supply**

Do Not Write Below This Line

Mar 0307 - 8539997

*Atlanta Central Bank and  
Trust Bank of  
Lawrenceville*

**For Deposit Only  
Johnson Medical Coding**

Do Not Write Below This Line

*Mar 0328 - 12136247*

Bank of Lawrenceville

**For Deposit Only  
Physicians Central Insurance**

Do Not Write Below This Line

Mar 0328 - 12136223

Bank of Lawrenceville

**For Deposit Only  
Linens to You**

Do Not Write Below This Line

Mar 0325 - 12136212

*Bank of Lawrenceville*

Account: 7018188	PLEASE POST THIS PAYMENT FOR OUR MUTUAL CUSTOMER	\$1,234.59
Please Direct Any Questions To: (800) 887-3219 Payment Processing Center	Online Bill 64-777/611	00001025
ANDERSON INTERNAL MEDICINE, LLC Lawrenceville, GA	March 11, 2016	
BANK OF LAWRENCEVILLE		
Pay	One thousand two hundred thirty-four and 59/100 -----DOLLARS	*****\$1,234.59
TO THE ORDER OF LINENS TO YOU, MAIN ST., WOODSTOCK, GA 30189 1577		
:062110777		

Account: 7018188	PLEASE POST THIS PAYMENT FOR OUR MUTUAL CUSTOMER	\$7,050.29
Please Direct Any Questions To: (800) 887-3219 Payment Processing Center	Online Bill Payment 64-777/611	00001037
ANDERSON INTERNAL MEDICINE, LLC Lawrenceville, GA	March 27, 2016	
BANK OF LAWRENCEVILLE		
Pay	Seven thousand fifty and 29/100 -----DOLLARS	*****\$7,050.29
TO THE ORDER OF STANDARD MORTGAGE COMPANY, 569 HWY 92, WOODSTOCK, GA 30188		
:062110777		

Account: 7018188	PLEASE POST THIS PAYMENT FOR OUR MUTUAL CUSTOMER	\$768.00
Please Direct Any Questions To: (800) 887-3219 Payment Processing Center	Online Bill 64-777/611	00001026
ANDERSON INTERNAL MEDICINE, LLC Lawrenceville, GA	March 11, 2016	
BANK OF LAWRENCEVILLE		
Pay	Seven hundred sixty-eight and 00/100 -----DOLLARS	*****\$768.00
TO THE ORDER OF PHYSICIANS CENTRAL, PO BOX 987 COMMERCE, GA 30528		
:062110777		

ANDERSON INTERNAL MEDICINE, LLC Lawrenceville, GA	DATE	3/25/2016	64-777/611	1038
PAY TO THE ORDER OF	Sharptop Bank	\$2,339.50		
	Two thousand three hundred thirty-nine and 50/100	Dollars		
BANK OF LAWRENCEVILLE Lawrenceville, GA 33042				
FOR	Jennifer L. Anderson			
:062110777	:007018188	1038	:0000233950	

ANDERSON INTERNAL MEDICINE, LLC Lawrenceville, GA	DATE	3/14/2016	64-777/611	1027
PAY TO THE ORDER OF	Johnson Medical Coding	\$135.00		
	One hundred thirty-five and -----00/100	Dollars		
BANK OF LAWRENCEVILLE Lawrenceville, GA 33042				
FOR	Jennifer L. Anderson			
:062110777	:007018188	1027	:0000013500	

ANDERSON INTERNAL MEDICINE, LLC Lawrenceville, GA	DATE	3/22/2016	64-777/611	2023
PAY TO THE ORDER OF	KIA Finance Company	\$3,123.55		
	Three thousand one hundred twenty-three & 55/100	Dollars		
BANK OF LAWRENCEVILLE Lawrenceville, GA 33042				
FOR	Jennifer L. Anderson			
:062110777	:007018188	2023	:0000312355	

**For Deposit Only**  
**Johnson Medical Coding**

Do Not Write Below This Line

Mar 0314 - 8637822

Bank of Lawrenceville

**For Deposit Only**  
**Physicians Central Insurance**

Do Not Write Below This Line

Mar 0314 - 8637999

Bank of Lawrenceville

**For Deposit Only**  
**Linens to You**

Do Not Write Below This Line

Mar 0311 - 8638922

Bank of Lawrenceville

*For Deposit Only*  
*ACB Finance Company*

Do Not Write Below This Line

Mar 0325 - 123937374

Orlando Banking Company  
Bank of Lawrenceville

**For Deposit Only**  
**Sharptop Bank**

Do Not Write Below This Line

Mar 0329 - 123936554

Sharptop Bank  
Bank of Lawrenceville

**For Deposit Only**  
**Standard Mortgage Company**

Do Not Write Below This Line

Mar 0325 - 12356887

Cleveland Bank & Trust  
Bank of Lawrenceville

64-777/611		<b>1028</b>	
ANDERSON INTERNAL MEDICINE,LLC Lawrenceville, GA		DATE <u>3/14/2016</u>	
PAY TO THE ORDER OF <u>Gwinnett County Tax Office</u>		\$1,847.63	
		<u>One thousand eight hundred forty-seven &amp; 63/100</u> Dollars	
<b>BANK OF LAWRENCEVILLE</b> Lawrenceville, GA 33042			
FOR _____		<u>Jennifer L. Anderson</u>	
:062110777	:007018188	1028	: 0000184763

64-777/611		<b>2024</b>	
ANDERSON INTERNAL MEDICINE,LLC Lawrenceville, GA		DATE <u>3/22/2016</u>	
PAY TO THE ORDER OF <u>S&amp;B Trust Company</u>		\$4,039.30	
		<u>Four thousand thirty-nine and ----- 30/100</u> Dollars	
<b>BANK OF LAWRENCEVILLE</b> Lawrenceville, GA 33042			
FOR <u>Delinquent Amt</u>		<u>Jennifer L. Anderson</u>	
:062110777	:007018188	2024	: 0000403930

64-777/611		<b>1029</b>	
ANDERSON INTERNAL MEDICINE,LLC Lawrenceville, GA		DATE <u>3/14/2016</u>	
PAY TO THE ORDER OF <u>Horizon Telephone Company</u>		\$1,455.53	
		<u>One thousand four hundred fifty-five and 53/100</u> Dollars	
<b>BANK OF LAWRENCEVILLE</b> Lawrenceville, GA 33042			
FOR _____		<u>Jennifer L. Anderson</u>	
:062110777	:007018188	1029	: 0000145553

64-777/611		<b>2025</b>	
ANDERSON INTERNAL MEDICINE,LLC Lawrenceville, GA		DATE <u>3/25/2016</u>	
PAY TO THE ORDER OF <u>Southeast Medical Center</u>		\$2,501.66	
		<u>Two thousand five hundred one and -- 66/100</u> Dollars	
<b>BANK OF LAWRENCEVILLE</b> Lawrenceville, GA 33042			
FOR <u>Delinquent Balance</u>		<u>Jennifer L. Anderson</u>	
:062110777	:007018188	2025	: 0000250166

64-777/611		<b>1030</b>	
ANDERSON INTERNAL MEDICINE,LLC Lawrenceville, GA		DATE <u>3/18/2016</u>	
PAY TO THE ORDER OF <u>Linens to You</u>		\$1,179.89	
		<u>One thousand one hundred sevety-nine &amp; -- 89/100</u> Dollars	
<b>BANK OF LAWRENCEVILLE</b> Lawrenceville, GA 33042			
FOR _____		<u>Jennifer L. Anderson</u>	
:062110777	:007018188	1030	: 0000117918

64-777/611		<b>2026</b>	
ANDERSON INTERNAL MEDICINE,LLC Lawrenceville, GA		DATE <u>3/25/2016</u>	
PAY TO THE ORDER OF <u>Tonya Larsen</u>		\$2,497.89	
		<u>Two thousand four hundred ninety-seven &amp; 89/100</u> Dollars	
<b>BANK OF LAWRENCEVILLE</b> Lawrenceville, GA 33042			
FOR _____		<u>Jennifer L. Anderson</u>	
:062110777	:007018188	2026	: 0000249789

**For Deposit Only  
Linens to You**

Do Not Write Below This Line

Mar 0321 - 3732665

Bank of Lawrenceville

**For Deposit Only  
Horizon Telephone Company**

Do Not Write Below This Line

Mar 0316 - 9966325

Forsyth State Bank  
Bank of Lawrenceville

**For Deposit Only  
Gwinnett County Tax Office**

Do Not Write Below This Line

Mar 0316 - 8996325

Bank of Gwinnett  
Bank of Lawrenceville

*Torga Larsen*

Do Not Write Below This Line

Mar 0328 - 12399987

Sharptop Bank  
Bank of Lawrenceville

**For Deposit Only  
Southeast Medical Center**

Do Not Write Below This Line

Mar 0325 - 123938777

Bank of Gwinnett  
Bank of Lawrenceville

**For Deposit Only  
S&B Trust Company**

Do Not Write Below This Line

Mar 0325 - 123931245

Southeast National Bank  
Bank of Lawrenceville

64-777/611		<b>1039</b>	
ANDERSON INTERNAL MEDICINE,LLC Lawrenceville, GA		DATE	3/29/2016
PAY TO THE ORDER OF	<u>Atlanta Medical Supply</u>	\$1,534.73	
	One thousand five hundred thirty-four and 73/100 Dollars		
<b>BANK OF LAWRENCEVILLE</b> Lawrenceville, GA 33042			
FOR	<u>Jennifer L. Anderson</u>		
:062110777	:007018188	1039	: 0000153473

64-777/611		<b>1041</b>	
ANDERSON INTERNAL MEDICINE,LLC Lawrenceville, GA		DATE	3/30/2016
PAY TO THE ORDER OF	<u>Axix Life Insurance</u>	\$1,341.19	
	One thousand three hundred forty-one and 19/100 Dollars		
<b>BANK OF LAWRENCEVILLE</b> Lawrenceville, GA 33042			
FOR	<u>Jennifer L. Anderson</u>		
:062110777	:007018188	1041	: 0000134119

64-777/611		<b>1040</b>	
ANDERSON INTERNAL MEDICINE,LLC Lawrenceville, GA		DATE	3/29/2016
PAY TO THE ORDER OF	<u>Reliance Property &amp; Casualty</u>	\$1,783.83	
	One thousand seven hundred eighty-three & 83/100 Dollars		
<b>BANK OF LAWRENCEVILLE</b> Lawrenceville, GA 33042			
FOR	<u>Jennifer L. Anderson</u>		
:062110777	:007018188	1040	: 0000178383

64-777/611		<b>1042</b>	
ANDERSON INTERNAL MEDICINE,LLC Lawrenceville, GA		DATE	3/31/2016
PAY TO THE ORDER OF	<u>Riteway Pharmaceuticals</u>	\$1,500.00	
	One thousand five hundred and ----- no/100 Dollars		
<b>BANK OF LAWRENCEVILLE</b> Lawrenceville, GA 33042			
FOR	<u>Jennifer L. Anderson</u>		
:062110777	:007018188	1042	: 0000150000

**For Deposit Only  
Reliance Property &  
Casualty**

Do Not Write Below This Line

**REJECTED Mar 0331 Apr**  
0404 - 39920745

Atlanta Central Bank &  
Trust Bank of  
Lawrenceville

**For Deposit Only  
Atlanta Medical Supply**

Do Not Write Below This Line

**REJECTED Mar 0331 Apr**  
0404 - 39920037

Atlanta Central Bank and  
Trust Bank of  
Lawrenceville

**Riteway Pharmaceuticals**

*Tonya Larsen*

Do Not Write Below This Line

**REJECTED Mar 0331 Apr**  
0404 - 40924409

Sharptop Bank  
Bank of Lawrenceville

**For Deposit Only  
Axix Life Insurance**

Do Not Write Below This Line

**REJECTED Mar 0331 Apr**  
0404 - 39924507

First Bank of Athens  
Bank of Lawrenceville

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY	500.00	
	COIN		
	LIST CHECKS SINGLY	1,234.40	
DATE 3/1/2016			
DEPOSIT MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL			
TOTAL FROM OTHER SIDE			
TOTAL		1,734.40	
LESS CASH RECEIVED			
NET CASH RECEIVED		1,734.40	
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY	500.00	
	COIN		
	LIST CHECKS SINGLY	798.30	
DATE 3/3/2016			
DEPOSIT MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL			
TOTAL FROM OTHER SIDE			
TOTAL		1,298.30	
LESS CASH RECEIVED			
NET CASH RECEIVED		1,298.30	
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY	500.00	
	COIN		
	LIST CHECKS SINGLY	1,807.43	
DATE 3/3/2016			
DEPOSIT MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL			
TOTAL FROM OTHER SIDE			
TOTAL		2,307.43	
LESS CASH RECEIVED			
NET CASH RECEIVED		2,307.43	
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY	500.00	
	COIN		
	LIST CHECKS SINGLY	1,282.53	
DATE 3/3/2016			
DEPOSIT MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL			
TOTAL FROM OTHER SIDE			
TOTAL		1,782.53	
LESS CASH RECEIVED			
NET CASH RECEIVED		1,782.53	
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY	500.00	
	COIN		
	LIST CHECKS SINGLY	1,087.53	
DATE 3/4/2016			
DEPOSIT MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL			
TOTAL FROM OTHER SIDE			
TOTAL		1,587.53	
LESS CASH RECEIVED			
NET CASH RECEIVED		1,587.53	
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY	500.00	
	COIN		
	LIST CHECKS SINGLY	741.67	
DATE 3/4/2016			
DEPOSIT MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL			
TOTAL FROM OTHER SIDE			
TOTAL		1,241.67	
LESS CASH RECEIVED			
NET CASH RECEIVED		1,241.67	
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/811	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
	CASH	CURRENCY	500.00
		COIN	
	LIST CHECKS SINGLY		639.63
DATE 3/8/2016	TOTAL FROM OTHER SIDE		
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>			
<small>NOT NEAR FOR CASH EQUIVALENT OF DEPOSITS</small>			
BANK OF LAWRENCEVILLE		TOTAL	1,139.63
		LESS CASH RECEIVED	
		NET CASH RECEIVED	1,139.63
:062110777: 70018188			

DEPOSIT TICKET		64-777/811	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
	CASH	CURRENCY	500.00
		COIN	
	LIST CHECKS SINGLY		1,003.27
DATE 3/9/2016	TOTAL FROM OTHER SIDE		
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>			
<small>NOT NEAR FOR CASH EQUIVALENT OF DEPOSITS</small>			
BANK OF LAWRENCEVILLE		TOTAL	1,503.27
		LESS CASH RECEIVED	
		NET CASH RECEIVED	1,503.27
:062110777: 70018188			

DEPOSIT TICKET		64-777/811	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
	CASH	CURRENCY	500.00
		COIN	
	LIST CHECKS SINGLY		1,263.82
DATE 3/9/2016	TOTAL FROM OTHER SIDE		
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>			
<small>NOT NEAR FOR CASH EQUIVALENT OF DEPOSITS</small>			
BANK OF LAWRENCEVILLE		TOTAL	1,763.82
		LESS CASH RECEIVED	
		NET CASH RECEIVED	1,763.82
:062110777: 70018188			

DEPOSIT TICKET		64-777/811	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
	CASH	CURRENCY	500.00
		COIN	
	LIST CHECKS SINGLY		977.74
DATE 3/10/2016	TOTAL FROM OTHER SIDE		
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>			
<small>NOT NEAR FOR CASH EQUIVALENT OF DEPOSITS</small>			
BANK OF LAWRENCEVILLE		TOTAL	1,477.74
		LESS CASH RECEIVED	
		NET CASH RECEIVED	1,477.74
:062110777: 70018188			

DEPOSIT TICKET		64-777/811	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
	CASH	CURRENCY	500.00
		COIN	
	LIST CHECKS SINGLY		813.93
DATE 3/10/2016	TOTAL FROM OTHER SIDE		
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>			
<small>NOT NEAR FOR CASH EQUIVALENT OF DEPOSITS</small>			
BANK OF LAWRENCEVILLE		TOTAL	1,313.93
		LESS CASH RECEIVED	
		NET CASH RECEIVED	1,313.93
:062110777: 70018188			

DEPOSIT TICKET		64-777/811	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
	CASH	CURRENCY	500.00
		COIN	
	LIST CHECKS SINGLY		1,051.82
DATE 3/11/2016	TOTAL FROM OTHER SIDE		
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>			
<small>NOT NEAR FOR CASH EQUIVALENT OF DEPOSITS</small>			
BANK OF LAWRENCEVILLE		TOTAL	1,551.82
		LESS CASH RECEIVED	
		NET CASH RECEIVED	1,551.82
:062110777: 70018188			

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
<b>CASH</b>	CURRENCY	500.00
	COIN	
LIST CHECKS SINGLY		773.76
TOTAL FROM OTHER SIDE		
SIGN HERE FOR CASH RECEIVED BY REQUEST		TOTAL 1,273.76
LESS CASH RECEIVED		
NET CASH RECEIVED		1,273.76
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
<b>CASH</b>	CURRENCY	500.00
	COIN	
LIST CHECKS SINGLY		719.92
TOTAL FROM OTHER SIDE		
SIGN HERE FOR CASH RECEIVED BY REQUEST		TOTAL 1,219.92
LESS CASH RECEIVED		
NET CASH RECEIVED		1,219.92
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
<b>CASH</b>	CURRENCY	500.00
	COIN	
LIST CHECKS SINGLY		899.92
TOTAL FROM OTHER SIDE		
SIGN HERE FOR CASH RECEIVED BY REQUEST		TOTAL 1,399.92
LESS CASH RECEIVED		
NET CASH RECEIVED		1,399.92
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
<b>CASH</b>	CURRENCY	500.00
	COIN	
LIST CHECKS SINGLY		1,288.23
TOTAL FROM OTHER SIDE		
SIGN HERE FOR CASH RECEIVED BY REQUEST		TOTAL 1,788.23
LESS CASH RECEIVED		
NET CASH RECEIVED		1,788.23
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
<b>CASH</b>	CURRENCY	500.00
	COIN	
LIST CHECKS SINGLY		598.49
TOTAL FROM OTHER SIDE		
SIGN HERE FOR CASH RECEIVED BY REQUEST		TOTAL 1,098.49
LESS CASH RECEIVED		
NET CASH RECEIVED		1,098.49
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
<b>CASH</b>	CURRENCY	500.00
	COIN	
LIST CHECKS SINGLY		967.73
TOTAL FROM OTHER SIDE		
SIGN HERE FOR CASH RECEIVED BY REQUEST		TOTAL 1,467.73
LESS CASH RECEIVED		
NET CASH RECEIVED		1,467.73
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY		
	COIN		
LIST CHECKS SINGLY			1,142.96
TOTAL FROM OTHER SIDE			
DATE 3/17/2016		DEPOSIT MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL	
TOTAL			1,142.96
LESS CASH RECEIVED			
NET CASH RECEIVED			1,142.96
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY		
	COIN		
LIST CHECKS SINGLY			1,121.00
TOTAL FROM OTHER SIDE			
DATE 3/18/2016		DEPOSIT MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL	
TOTAL			1,121.00
LESS CASH RECEIVED			
NET CASH RECEIVED			1,121.00
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY		
	COIN		
LIST CHECKS SINGLY			1,887.37
TOTAL FROM OTHER SIDE			
DATE 3/18/2016		DEPOSIT MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL	
TOTAL			1,887.37
LESS CASH RECEIVED			
NET CASH RECEIVED			1,887.37
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY		
	COIN		
LIST CHECKS SINGLY			1,703.45
TOTAL FROM OTHER SIDE			
DATE 3/22/2016		DEPOSIT MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL	
TOTAL			1,703.45
LESS CASH RECEIVED			
NET CASH RECEIVED			1,703.45
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY		
	COIN		
LIST CHECKS SINGLY			1,140.92
TOTAL FROM OTHER SIDE			
DATE 3/24/2016		DEPOSIT MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL	
TOTAL			1,140.92
LESS CASH RECEIVED			
NET CASH RECEIVED			1,140.92
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY		
	COIN		
LIST CHECKS SINGLY			1,068.76
TOTAL FROM OTHER SIDE			
DATE 3/25/2016		DEPOSIT MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL	
TOTAL			1,068.76
LESS CASH RECEIVED			
NET CASH RECEIVED			1,068.76
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
<b>CASH</b>		CURRENCY	
COIN			
LIST CHECKS SINGLY		1,126.09	
DATE 3/28/2016			
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>			
TOTAL FROM OTHER SIDE			
<small>MEMBER FOR CASH RECEIVED (IF APPLICABLE)</small>			
TOTAL		1,126.09	
LESS CASH RECEIVED			
NET CASH RECEIVED		1,126.09	
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
<b>CASH</b>		CURRENCY	
COIN			
LIST CHECKS SINGLY		1,005.27	
DATE 3/29/2016			
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>			
TOTAL FROM OTHER SIDE			
<small>MEMBER FOR CASH RECEIVED (IF APPLICABLE)</small>			
TOTAL		1,005.27	
LESS CASH RECEIVED			
NET CASH RECEIVED		1,005.27	
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

**Anderson Internal Medicine**  
**Lawrenceville, GA 30043**

**CASH RECEIPTS JOURNAL**

DATE	PAID TO	T.B.	DEBIT	CREDIT
3/1	Cash	11	1,734.40	
	Fees	30		1,734.40
	Record patient cash receipts			
3/3	Cash	11	1,298.30	
	Fees	30		1,298.30
	Record patient cash receipts			
3/3	Cash	11	2,307.43	
	Fees	30		2,307.43
	Record patient cash receipts			
3/3	Cash	11	1,782.53	
	Fees	30		1,782.53
	Record patient cash receipts			
3/4	Cash	11	1,587.53	
	Fees	30		1,587.53
	Record patient cash receipts			
3/4	Cash	11	1,241.61	
	Fees	30		1,241.61
	Record patient cash receipts			
3/8	Cash	11	1,139.63	
	Fees	30		1,139.63
	Record patient cash receipts			
3/9	Cash	11	1,503.27	
	Fees	30		1,503.27
	Record patient cash receipts			
3/9	Cash	11	1,763.82	
	Fees	30		1,763.82
	Record patient cash receipts			
3/10	Cash	11	1,477.74	
	Fees	30		1,477.74
	Record patient cash receipts			
3/10	Cash	11	1,313.93	
	Fees	30		1,313.93
	Record patient cash receipts			
3/11	Cash	11	1,551.82	
	Fees	30		1,551.82

**Anderson Internal Medicine**  
**Lawrenceville, GA 30043**

**CASH RECEIPTS JOURNAL**

DATE	PAID TO	T.B.	DEBIT	CREDIT
	Record patient cash receipts			
3/11	Cash	11	1,273.16	
	Fees	30		1,273.16
	Record patient receipts			
3/11	Cash	11	1,219.92	
	Fees	30		1,219.92
	Record patient receipts			
3/11	Cash	11	1,399.92	
	Fees	30		1,399.92
	Record patient receipts			
3/15	Cash	11	1,783.23	
	Fees	30		1,783.23
	Record patient receipts			
3/15	Cash	11	1,098.49	
	Fees	30		1,098.49
	Record patient receipts			
3/17	Cash	11	1,467.13	
	Fees	30		1,467.13
	Record patient receipts			
3/17	Cash	11	1,142.96	
	Fees	30		1,142.96
	Record patient receipts			
3/18	Cash	11	1,121.06	
	Fees	30		1,121.06
	Record patient receipts			
3/18	Cash	11	1,887.37	
	Fees	30		1,887.37
	Record patient receipts			
3/22	Cash	11	1,703.45	
	Fees	30		1,703.45
	Record patient receipts			
3/24	Cash	11	1,140.92	
	Fees	30		1,140.92
	Record patient receipts			

**Anderson Internal Medicine**  
**Lawrenceville, GA 30043**

**CASH RECEIPTS JOURNAL**

DATE	PAID TO	T.B.	DEBIT	CREDIT
3/25	Cash	11	1,068.76	
	Fees	30		1,068.76
	Record patient receipts			
3/28	Cash	11	1,126.09	
	Fees	30		1,126.09
	Record patient receipts			
3/29	Cash	11	1,005.21	
	Fees	30		1,005.21
	Record patient receipts			

**Anderson Internal Medicine**  
**Lawrenceville, GA 30043**

**CASH DISBURSEMENTS JOURNAL**

DATE	PAID TO	CHECK	T.B.	DEBIT	CREDIT
3/1	Linens Cash	1019	47 11	1,239.59	1,239.59
	Paid to Linens to You				
3/1	Malpractice Insurance - Physicians Cash	1020	41 11	768.00	768.00
	Paid to Physicians Central				
3/1	Coding Cash	1021	43 11	127.00	127.00
	Paid to Johnson Medical Coding				
3/7	Medical supplies Cash	1022	50 11	2,991.63	2,991.63
	Paid to Atlanta Medical Supply				
3/7	Office supplies Cash	1023	60 11	1,913.13	1,913.13
	Paid to Central Office Supply				
3/9	Utilities Cash	1024	80 11	3,234.12	3,234.12
	Paid to Georgia Power Company				
3/11	Linens Cash	1025	47 11	1,234.59	1,234.59
	Paid to Linens to You				
3/11	Malpractice Insurance - Physicians Cash	1026	41 11	768.00	768.00
	Paid to Physicians Central				
3/14	Coding Cash	1027	43 11	135.00	135.00
	Paid to Johnson Medical Coding				
3/14	Taxes & licenses Cash	1028	90 11	1,847.63	1,847.63
	Paid to Gwinnett County Tax Office				
3/14	Telephone Expense Cash	1029	85 11	1,455.53	1,455.53
	Paid to Horizon Telephone Company				

**Anderson Internal Medicine**  
**Lawrenceville, GA 30043**

**CASH DISBURSEMENTS JOURNAL**

DATE	PAID TO	CHECK	T.B.	DEBIT	CREDIT
3/18	Linens Cash	1030	47 11	1,179.89	1,179.89
	Paid to Linens to You				
3/18	Malpractice Insurance - Nurses Cash	1031	42 11	256.00	256.00
	Paid to Physicians Central				
3/18	Coding Cash	1032	43 11	149.00	149.00
	Paid to Johnson Medical Coding				
3/21	Legal and professional Cash	1033	70 11	1,532.98	1,532.98
	Paid to Andrew & Duvall, CPAs, LLC				
3/22	Pharmaceuticals Cash	2023	51 11	3,123.55	3,123.55
	Paid to Astro-Bitford Pharmaceuticals				
3/22	Medical supplies Cash	2024	50 11	4,039.30	4,039.30
	Paid to Atlanta Medical Supply				
3/25	Linens Cash	1034	47 11	1,266.45	1,266.45
	Paid to Linens to You				
3/25	Malpractice Insurance - Nurses Cash	1035	44 11	256.00	256.00
	Paid to Physicians Central				
3/25	Uniform expense Cash	2025	95 11	2,501.66	2,501.66
	Paid to Standard Textile				
3/25	Advertising Cash	2026	30 11	2,497.89	2,497.89
	Paid to Zumbro & Fleck Concepts				
3/25	Coding Cash	1036	43 11	125.00	125.00
	Paid to Johnson Medical Coding				

**Anderson Internal Medicine**  
**Lawrenceville, GA 30043**

**CASH DISBURSEMENTS JOURNAL**

DATE	PAID TO	CHECK	T.B.	DEBIT	CREDIT
3/25	Interest expense		80	6,914.11	
	Mortgage		25	136.17	
	Cash	1037	11		7,050.28
	Paid to Standard Mortgage Co				
3/25	Car & truck expenses		35	2,339.50	
	Cash	1038	11		2,339.50
	Paid to Sharptop Bank				
3/29	Medical supplies		50	1,534.73	
	Cash	1039	11		1,534.73
	Paid to Atlanta Medical Supply				
3/29	Insurance - Property & Casualty		44	1,783.83	
	Cash	1040	11		1,783.83
	Paid to Reliance Property & Casualty				
3/30	Insurance - Life		75	1,341.19	
	Cash	1041	11		1,341.19
	Paid to Axix Life Insurance				
3/31	Pharmaceuticals		51	1,500.00	
	Cash	1042	11		1,500.00
	Paid to Riteway Pharmaceuticals				

## 7-3 CASE 3: FRAUDULENT EDITS/ADJUSTED JOURNAL ENTRIES [ANDERSON INTERNAL MEDICINE (EDITS/AJES)]

### Report of Interview

Interviewee: Jennifer Anderson, MD (insured)  
 Interviewer: Jason R. Walsh, CFE, Special Agent  
 Date: April 21, 2016

Jennifer Anderson said that she owns and operates Anderson Internal Medicine, PC (AIM) in Lawrenceville, Georgia. AIM has been in business since September 2007. Dr. Anderson said that AIM uses a point-of-sale (POS) computer program called Medatrix UltraScan to record the cash receipts (cash and checks), debit card, credit card (AMEX, Discover, MasterCard, VISA), and insurance charges (Insurance Companies, Medicare, Medicaid, etc.) for patient services. The credit card (AMEX, Discover, MasterCard, and VISA) settlement amounts (received one to three days after charge) and insurance charges (received one to four months after charge) are deposited in a separate bank monitored checking account.

She reviewed the March 2016 UltraScan details from her practice over breakfast on April 2, 2016 (the day following the bank's notification of overdrawn checks), and noted that deposited cash deposits did not match the cash receipts initially recorded in UltraScan. She requires her front end personnel to daily deposit all cash receipts. She asked Teresa Padgett, an information technology specialist, to look up the cash receipt transactions recorded in Medatrix UltraScan for March 2016. Teresa found that Tonya Larsen, who has been the office manager since September 2015, had made a number of even-dollar edits to the amount of cash receipts (e.g., \$2,197.95 reduced to \$1,697.95, a \$500.00 reduction) and that the smaller edited amounts of cash were deposited days after actual receipt. Teresa Padgett told Dr. Anderson that she thought Tonya Larsen was stealing—altering deposits with different round dollar amounts (approximately \$1,000 a week off on average). Time stamps on Tonya Larsen's edits show when she changed the information. Every employee has a distinct ID and password that they are not to share. Tonya Larsen's ID is "203—Tonya." According to Teresa Padgett, there appears to be a several day time delay between daily sales receipts and actual deposits and there appears to be a pattern of decreased deposits.

Medatrix UltraScan is a POS separate from the regular accounting system. POS and the cash drawer are separate. At the beginning and end of the day \$500 is left in the drawer. Daily, the office manager is to:

- pull the cash drawer, count it down, and match it to the daily POS records;
- drop the cash into a safe (accessed only by Jennifer Anderson and the store manager);
- pull all deposits, count envelopes, and make sure both totals agree;
- make sure they match computer system;
- prepare cash deposits using a deposit book, which has carbon copies;
- make deposit slips and take to bank; and,
- staple bank receipts to the carbon copy.

The office manager records the cash receipts information from the POS into the accounting system.

Teresa Padgett quarterly audits receipt data. She visits the POS activity log and looks for adjustments. After the fact, when a manager is reconciling the sales, she can use the edit run to fix errors. With the exception of the Jennifer Anderson, Teresa Padgett, and Tonya Larsen, employees do not have access to the edit function.

**Anderson Internal Medicine - Cash Receipts - January 2016 to March 2016**

01-09-2016 07:10:24	File: PO020711.DAT	Total: 1 Cash - Deposit	203-TONYA
	Orig. Amt: \$1,897.46	New Amt: \$1,747.46	
01-09-2016 07:10:33	File: PO020711.DAT	Total: 3 Checks - Deposit	203-TONYA
	Orig. Amt: \$0.00	New Amt: \$6.00	
01-11-2016 07:10:45	File: PO020711.DAT	Total: 10 Check - Deposit	203-TONYA
	Orig. Amt: \$44.56	New Amt: \$38.56	
01-18-2016 07:13:56	File: PO022016.DAT	Total: 1 Cash - Deposit	203-TONYA
	Orig. Amt: \$1,415.50	New Amt: \$1,315.50	
01-19-2016 07:12:36	File: PO022111.DAT	Total: 1 Cash - Deposit	203-TONYA
	Orig. Amt: \$1,675.58	New Amt: \$1,435.58	
01-22-2016 07:13:04	File: PO022111.DAT	Total: 10 Check - Deposit	203-TONYA
	Orig. Amt: \$51.00	New Amt: \$44.00	
01-22-2016 07:13:13	File: PO022111.DAT	Total: 3 Checks - Deposit	203-TONYA
	Orig. Amt: \$0.00	New Amt: \$7.00	
01-23-2016 06:58:22	File: PO022211.DAT	Total: 1 Cash - Deposit	203-TONYA
	Orig. Amt: \$1,387.70	New Amt: \$1,262.94	
01-23-2016 06:58:49	File: PO022211.DAT	Total: 3 Checks - Deposit	203-TONYA
	Orig. Amt: \$117.85	New Amt: \$138.85	
01-25-2016 07:32:04	File: PO022411.DAT	Total: 1 Cash - Deposit	203-TONYA
	Orig. Amt: \$1,396.94	New Amt: \$1,276.94	
01-26-2016 10:21:00	File: PO022511.DAT	Total: 1 Cash - Deposit	203-TONYA
	Orig. Amt: \$2,006.13	New Amt: \$1,756.13	
01-29-2016 12:18:22	File: PO022611.DAT	Total: 1 Cash - Deposit	203-TONYA
	Orig. Amt: \$2,487.89	New Amt: \$2,187.89	
02-01-2016 07:44:50	File: PO022811.DAT	Total: 1 Cash - Deposit	203-TONYA
	Orig. Amt: \$1,896.94	New Amt: \$1,746.94	
02-01-2016 09:01:24	File: PO022811.DAT	Total: 3 Checks - Deposit	203-TONYA
	Orig. Amt: \$23.71	New Amt: \$91.71	
02-02-2016 09:04:41	File: PO030111.DAT	Total: 1 Cash - Deposit	203-TONYA
	Orig. Amt: \$2,140.09	New Amt: \$1,965.09	
02-02-2016 07:21:17	File: PO030211.DAT	Total: 1 Cash - Deposit	203-TONYA
	Orig. Amt: \$1,541.68	New Amt: \$1,366.68	
02-04-2016 07:37:46	File: PO030311.DAT	Total: 1 Cash - Deposit	203-TONYA
	Orig. Amt: \$1,267.76	New Amt: \$1,127.76	
02-05-2016 07:26:14	File: PO030411.DAT	Total: 1 Cash - Deposit	203-TONYA
	Orig. Amt: \$2,589.39	New Amt: \$2,289.39	
02-08-2016 07:26:28	File: PO030511.DAT	Total: 1 Cash - Deposit	203-TONYA
	Orig. Amt: \$1,797.36	New Amt: \$1,497.36	
02-08-2016 07:27:00	File: PO030611.DAT	Total: 1 Cash - Deposit	203-TONYA
	Orig. Amt: \$1,481.78	New Amt: \$1,181.78	
02-11-2016 07:19:11	File: PO031011.DAT	Total: 1 Cash - Deposit	203-TONYA
	Orig. Amt: \$1,839.18	New Amt: \$1,639.18	
02-12-2016 07:44:41	File: PO031111.DAT	Total: 1 Cash - Deposit	203-TONYA
	Orig. Amt: \$2,196.98	New Amt: \$1,796.98	
02-12-2016 07:44:47	File: PO031211.DAT	Total: 1 Cash - Deposit	203-TONYA

### Anderson Internal Medicine - Cash Receipts - January 2016 to March 2016

	Orig. Amt:	\$2,137.65	New Amt:	\$1,737.65	
02-15-2016 09:03:10 File: PO031411.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,281.83	New Amt:	\$1,131.83	
02-16-2016 07:15:20 File: PO031511.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,369.62	New Amt:	\$1,169.62	
02-17-2016 09:29:30 File: PO031611.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,691.90	New Amt:	\$1,391.90	
02-18-2016 09:09:42 File: PO031711.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,632.59	New Amt:	\$1,332.59	
02-22-2016 07:56:33 File: PO031811.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,822.86	New Amt:	\$1,422.86	
02-22-2016 07:56:59 File: PO031911.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,834.92	New Amt:	\$1,584.92	
02-23-2016 07:46:04 File: PO032211.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,374.38	New Amt:	\$1,174.38	
02-24-2016 07:59:10 File: PO032311.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$2,059.78	New Amt:	\$1,659.78	
02-25-2016 07:59:15 File: PO032411.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,634.75	New Amt:	\$1,384.75	
02-25-2016 09:11:02 File: PO032411.DAT	Total:	3 Checks - Deposit			203-TONYA
02-26-2016 07:58:49 File: PO032511.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,839.33	New Amt:	\$1,439.33	
02-26-2016 07:58:59 File: PO032611.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,550.91	New Amt:	\$1,150.91	
02-26-2016 07:59:26 File: PO032711.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,142.14	New Amt:	\$992.14	
02-29-2016 09:00:57 File: PO032811.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,744.35	New Amt:	\$1,394.35	
03-01-2016 07:52:11 File: PO033111.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$2,134.40	New Amt:	\$1,734.40	
03-03-2016 07:47:10 File: PO030311.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,498.30	New Amt:	\$1,298.30	
03-03-2016 07:47:33 File: PO030211.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$2,707.43	New Amt:	\$2,307.43	
03-03-2016 07:47:44 File: PO030111.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,982.55	New Amt:	\$1,782.55	
03-04-2016 07:56:14 File: PO030311.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,987.53	New Amt:	\$1,587.53	
03-04-2016 07:54:09 File: PO030511.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,491.61	New Amt:	\$1,241.61	
03-08-2016 07:06:23 File: PO030611.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,489.63	New Amt:	\$1,139.63	
03-09-2016 07:27:19 File: PO030911.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,903.27	New Amt:	\$1,503.27	
03-09-2016 07:27:38 File: PO030911.DAT	Total:	1 Cash - Deposit			203-TONYA

**Anderson Internal Medicine - Cash Receipts - January 2016 to March 2016**

	Orig. Amt:	\$2,013.82	New Amt:	\$1,763.82	
03-10-2016 07:48:19 File: PO031111.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,927.74	New Amt:	\$1,477.74	
03-10-2016 07:53:17 File: PO031211.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,713.93	New Amt:	\$1,313.93	
03-11-2016 09:03:06 File: PO031311.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$2,026.82	New Amt:	\$1,551.82	
03-11-2016 07:50:56 File: PO031411.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,873.16	New Amt:	\$1,273.16	
03-11-2016 07:37:00 File: PO031711.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,619.92	New Amt:	\$1,219.92	
03-11-2016 07:37:27 File: PO031511.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,799.92	New Amt:	\$1,399.92	
03-15-2016 07:37:52 File: PO031611.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$2,383.23	New Amt:	\$1,783.23	
03-15-2016 07:39:23 File: PO031811.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,448.49	New Amt:	\$1,098.49	
03-17-2016 07:43:17 File: PO031911.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$2,067.13	New Amt:	\$1,467.13	
03-17-2016 07:53:16 File: PO032016.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,392.96	New Amt:	\$1,142.96	
03-18-2016 07:57:53 File: PO032111.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,571.06	New Amt:	\$1,121.06	
03-18-2016 07:47:05 File: PO032211.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$2,487.37	New Amt:	\$1,887.37	
03-22-2016 07:47:32 File: PO032311.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$2,303.45	New Amt:	\$1,703.45	
03-24-2016 07:44:52 File: PO032511.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,690.92	New Amt:	\$1,140.92	
03-25-2016 07:57:39 File: PO032611.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,643.76	New Amt:	\$1,068.76	
03-28-2016 07:57:16 File: PO032711.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,676.09	New Amt:	\$1,126.09	
03-29-2016 09:44:28 File: PO032811.DAT	Total:	1 Cash - Deposit			203-TONYA
	Orig. Amt:	\$1,555.21	New Amt:	\$1,005.21	

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
CASH	CURRENCY	200.00
	COIN	
	LIST CHECKS SINGLY	1,547.46
DATE 1/9/2016		
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL.</small>		
TOTAL FROM OTHER SIDE		
<small>MON HERE FOR CASH RECEIVED BY DEPOSITORS</small>		
TOTAL		1,747.46
LESS CASH RECEIVED		
NET CASH RECEIVED		1,747.46
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
CASH	CURRENCY	150.00
	COIN	
	LIST CHECKS SINGLY	1,165.50
DATE 1/18/2016		
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL.</small>		
TOTAL FROM OTHER SIDE		
<small>MON HERE FOR CASH RECEIVED BY DEPOSITORS</small>		
TOTAL		1,315.50
LESS CASH RECEIVED		
NET CASH RECEIVED		1,315.50
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
CASH	CURRENCY	400.00
	COIN	
	LIST CHECKS SINGLY	1,035.58
DATE 1/19/2016		
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL.</small>		
TOTAL FROM OTHER SIDE		
<small>MON HERE FOR CASH RECEIVED BY DEPOSITORS</small>		
TOTAL		1,435.58
LESS CASH RECEIVED		
NET CASH RECEIVED		1,435.58
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
CASH	CURRENCY	300.00
	COIN	
	LIST CHECKS SINGLY	976.94
DATE 1/23/2016		
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL.</small>		
TOTAL FROM OTHER SIDE		
<small>MON HERE FOR CASH RECEIVED BY DEPOSITORS</small>		
TOTAL		1,276.94
LESS CASH RECEIVED		
NET CASH RECEIVED		1,276.94
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
CASH	CURRENCY	200.00
	COIN	
	LIST CHECKS SINGLY	1,076.94
DATE 1/25/2016		
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL.</small>		
TOTAL FROM OTHER SIDE		
<small>MON HERE FOR CASH RECEIVED BY DEPOSITORS</small>		
TOTAL		1,276.94
LESS CASH RECEIVED		
NET CASH RECEIVED		1,276.94
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
CASH	CURRENCY	400.00
	COIN	
	LIST CHECKS SINGLY	1,356.13
DATE 1/26/2016		
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL.</small>		
TOTAL FROM OTHER SIDE		
<small>MON HERE FOR CASH RECEIVED BY DEPOSITORS</small>		
TOTAL		1,756.13
LESS CASH RECEIVED		
NET CASH RECEIVED		1,756.13
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY	300.00	
	COIN		
LIST CHECKS SINGLY		1,887.89	
TOTAL FROM OTHER SIDE			
TOTAL		2,187.89	
LESS CASH RECEIVED			
NET CASH RECEIVED		2,187.89	
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY	200.00	
	COIN		
LIST CHECKS SINGLY		1,546.94	
TOTAL FROM OTHER SIDE			
TOTAL		1,746.94	
LESS CASH RECEIVED			
NET CASH RECEIVED		1,746.94	
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY	700.00	
	COIN		
LIST CHECKS SINGLY		1,865.09	
TOTAL FROM OTHER SIDE			
TOTAL		1,965.09	
LESS CASH RECEIVED			
NET CASH RECEIVED		1,965.09	
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY	700.00	
	COIN		
LIST CHECKS SINGLY		1,266.68	
TOTAL FROM OTHER SIDE			
TOTAL		1,366.68	
LESS CASH RECEIVED			
NET CASH RECEIVED		1,366.68	
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY	50.00	
	COIN		
LIST CHECKS SINGLY		1,077.76	
TOTAL FROM OTHER SIDE			
TOTAL		1,127.76	
LESS CASH RECEIVED			
NET CASH RECEIVED		1,127.76	
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY	200.00	
	COIN		
LIST CHECKS SINGLY		2,089.39	
TOTAL FROM OTHER SIDE			
TOTAL		2,289.39	
LESS CASH RECEIVED			
NET CASH RECEIVED		2,289.39	
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
<b>CASH</b>	CURRENCY	500.00
	COIN	
	LIST CHECKS SINGLY	997.36
DATE	2/8/2016	
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>		
TOTAL FROM OTHER SIDE		
TOTAL		1,497.36
LESS CASH RECEIVED		
NET CASH RECEIVED		1,497.36
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
<b>CASH</b>	CURRENCY	200.00
	COIN	
	LIST CHECKS SINGLY	981.78
DATE	2/8/2016	
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>		
TOTAL FROM OTHER SIDE		
TOTAL		1,181.78
LESS CASH RECEIVED		
NET CASH RECEIVED		1,181.78
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
<b>CASH</b>	CURRENCY	500.00
	COIN	
	LIST CHECKS SINGLY	1,139.78
DATE	2/11/2016	
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>		
TOTAL FROM OTHER SIDE		
TOTAL		1,639.78
LESS CASH RECEIVED		
NET CASH RECEIVED		1,639.78
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
<b>CASH</b>	CURRENCY	200.00
	COIN	
	LIST CHECKS SINGLY	1,596.98
DATE	2/12/2016	
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>		
TOTAL FROM OTHER SIDE		
TOTAL		1,796.98
LESS CASH RECEIVED		
NET CASH RECEIVED		1,796.98
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
<b>CASH</b>	CURRENCY	200.00
	COIN	
	LIST CHECKS SINGLY	1,537.65
DATE	2/12/2016	
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>		
TOTAL FROM OTHER SIDE		
TOTAL		1,737.65
LESS CASH RECEIVED		
NET CASH RECEIVED		1,737.65
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
<b>CASH</b>	CURRENCY	200.00
	COIN	
	LIST CHECKS SINGLY	931.83
DATE	2/15/2016	
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>		
TOTAL FROM OTHER SIDE		
TOTAL		1,131.83
LESS CASH RECEIVED		
NET CASH RECEIVED		1,131.83
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY	100.00	
	COIN		
LIST CHECKS SINGLY		1,069.62	
TOTAL FROM OTHER SIDE			
DATE		2/16/2016	
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>			
<small>SEE HERE FOR CASH RECEIPTS IF REQUESTED</small>			
TOTAL		1,169.62	
LESS CASH RECEIVED			
NET CASH RECEIVED		1,169.62	
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY	250.00	
	COIN		
LIST CHECKS SINGLY		1,141.90	
TOTAL FROM OTHER SIDE			
DATE		2/17/2016	
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>			
<small>SEE HERE FOR CASH RECEIPTS IF REQUESTED</small>			
TOTAL		1,391.90	
LESS CASH RECEIVED			
NET CASH RECEIVED		1,391.90	
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY	150.00	
	COIN		
LIST CHECKS SINGLY		1,182.39	
TOTAL FROM OTHER SIDE			
DATE		2/18/2016	
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>			
<small>SEE HERE FOR CASH RECEIPTS IF REQUESTED</small>			
TOTAL		1,332.39	
LESS CASH RECEIVED			
NET CASH RECEIVED		1,332.39	
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY	200.00	
	COIN		
LIST CHECKS SINGLY		1,222.86	
TOTAL FROM OTHER SIDE			
DATE		2/22/2016	
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>			
<small>SEE HERE FOR CASH RECEIPTS IF REQUESTED</small>			
TOTAL		1,422.86	
LESS CASH RECEIVED			
NET CASH RECEIVED		1,422.86	
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY	200.00	
	COIN		
LIST CHECKS SINGLY		1,384.92	
TOTAL FROM OTHER SIDE			
DATE		2/22/2016	
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>			
<small>SEE HERE FOR CASH RECEIPTS IF REQUESTED</small>			
TOTAL		1,584.92	
LESS CASH RECEIVED			
NET CASH RECEIVED		1,584.92	
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY	100.00	
	COIN		
LIST CHECKS SINGLY		1,074.38	
TOTAL FROM OTHER SIDE			
DATE		2/23/2016	
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>			
<small>SEE HERE FOR CASH RECEIPTS IF REQUESTED</small>			
TOTAL		1,174.38	
LESS CASH RECEIVED			
NET CASH RECEIVED		1,174.38	
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
CASH	CURRENCY	500.00
	COIN	
LIST CHECKS SINGLY		1,159.78
DATE	2/24/2016	
DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL		
TOTAL FROM OTHER SIDE		
***** FOR CASH RECEIPTS OF REQUESTS *****		
TOTAL		1,659.78
LESS CASH RECEIVED		
NET CASH RECEIVED		1,659.78
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
CASH	CURRENCY	100.00
	COIN	
LIST CHECKS SINGLY		1,284.75
DATE	2/25/2016	
DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL		
TOTAL FROM OTHER SIDE		
***** FOR CASH RECEIPTS OF REQUESTS *****		
TOTAL		1,384.75
LESS CASH RECEIVED		
NET CASH RECEIVED		1,384.75
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
CASH	CURRENCY	500.00
	COIN	
LIST CHECKS SINGLY		939.33
DATE	2/26/2016	
DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL		
TOTAL FROM OTHER SIDE		
***** FOR CASH RECEIPTS OF REQUESTS *****		
TOTAL		1,439.33
LESS CASH RECEIVED		
NET CASH RECEIVED		1,439.33
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
CASH	CURRENCY	200.00
	COIN	
LIST CHECKS SINGLY		950.97
DATE	2/26/2016	
DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL		
TOTAL FROM OTHER SIDE		
***** FOR CASH RECEIPTS OF REQUESTS *****		
TOTAL		1,150.97
LESS CASH RECEIVED		
NET CASH RECEIVED		1,150.97
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
CASH	CURRENCY	-
	COIN	
LIST CHECKS SINGLY		992.74
DATE	2/26/2016	
DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL		
TOTAL FROM OTHER SIDE		
***** FOR CASH RECEIPTS OF REQUESTS *****		
TOTAL		992.74
LESS CASH RECEIVED		
NET CASH RECEIVED		992.74
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
CASH	CURRENCY	50.00
	COIN	
LIST CHECKS SINGLY		1,344.35
DATE	2/29/2016	
DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL		
TOTAL FROM OTHER SIDE		
***** FOR CASH RECEIPTS OF REQUESTS *****		
TOTAL		1,394.35
LESS CASH RECEIVED		
NET CASH RECEIVED		1,394.35
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
CASH	CURRENCY	500.00
	COIN	
	LIST CHECKS SINGLY	1,234.40
TOTAL FROM OTHER SIDE		
TOTAL		1,734.40
LESS CASH RECEIVED		
NET CASH RECEIVED		1,734.40
DATE 3/1/2016		
<small>DEPOSIT MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>		
<small>ACCOUNT FOR CASH RECEIVED (IF APPLICABLE)</small>		
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
CASH	CURRENCY	500.00
	COIN	
	LIST CHECKS SINGLY	798.30
TOTAL FROM OTHER SIDE		
TOTAL		1,298.30
LESS CASH RECEIVED		
NET CASH RECEIVED		1,298.30
DATE 3/3/2016		
<small>DEPOSIT MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>		
<small>ACCOUNT FOR CASH RECEIVED (IF APPLICABLE)</small>		
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
CASH	CURRENCY	500.00
	COIN	
	LIST CHECKS SINGLY	1,807.43
TOTAL FROM OTHER SIDE		
TOTAL		2,307.43
LESS CASH RECEIVED		
NET CASH RECEIVED		2,307.43
DATE 3/3/2016		
<small>DEPOSIT MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>		
<small>ACCOUNT FOR CASH RECEIVED (IF APPLICABLE)</small>		
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
CASH	CURRENCY	500.00
	COIN	
	LIST CHECKS SINGLY	1,282.53
TOTAL FROM OTHER SIDE		
TOTAL		1,782.53
LESS CASH RECEIVED		
NET CASH RECEIVED		1,782.53
DATE 3/3/2016		
<small>DEPOSIT MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>		
<small>ACCOUNT FOR CASH RECEIVED (IF APPLICABLE)</small>		
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
CASH	CURRENCY	500.00
	COIN	
	LIST CHECKS SINGLY	1,087.53
TOTAL FROM OTHER SIDE		
TOTAL		1,587.53
LESS CASH RECEIVED		
NET CASH RECEIVED		1,587.53
DATE 3/4/2016		
<small>DEPOSIT MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>		
<small>ACCOUNT FOR CASH RECEIVED (IF APPLICABLE)</small>		
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
CASH	CURRENCY	500.00
	COIN	
	LIST CHECKS SINGLY	741.67
TOTAL FROM OTHER SIDE		
TOTAL		1,241.67
LESS CASH RECEIVED		
NET CASH RECEIVED		1,241.67
DATE 3/4/2016		
<small>DEPOSIT MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>		
<small>ACCOUNT FOR CASH RECEIVED (IF APPLICABLE)</small>		
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
DATE	3/8/2016	CASH	CURRENCY
		COIN	500.00
		LIST CHECKS SINGLY	639.63
		TOTAL FROM OTHER SIDE	
		TOTAL	1,139.63
		LESS CASH RECEIVED	
		NET CASH RECEIVED	1,139.63
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
DATE	3/9/2016	CASH	CURRENCY
		COIN	500.00
		LIST CHECKS SINGLY	1,003.27
		TOTAL FROM OTHER SIDE	
		TOTAL	1,503.27
		LESS CASH RECEIVED	
		NET CASH RECEIVED	1,503.27
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
DATE	3/9/2016	CASH	CURRENCY
		COIN	500.00
		LIST CHECKS SINGLY	1,263.82
		TOTAL FROM OTHER SIDE	
		TOTAL	1,763.82
		LESS CASH RECEIVED	
		NET CASH RECEIVED	1,763.82
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
DATE	3/10/2016	CASH	CURRENCY
		COIN	500.00
		LIST CHECKS SINGLY	977.74
		TOTAL FROM OTHER SIDE	
		TOTAL	1,477.74
		LESS CASH RECEIVED	
		NET CASH RECEIVED	1,477.74
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
DATE	3/10/2016	CASH	CURRENCY
		COIN	500.00
		LIST CHECKS SINGLY	813.93
		TOTAL FROM OTHER SIDE	
		TOTAL	1,313.93
		LESS CASH RECEIVED	
		NET CASH RECEIVED	1,313.93
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
DATE	3/11/2016	CASH	CURRENCY
		COIN	500.00
		LIST CHECKS SINGLY	1,051.82
		TOTAL FROM OTHER SIDE	
		TOTAL	1,551.82
		LESS CASH RECEIVED	
		NET CASH RECEIVED	1,551.82
BANK OF LAWRENCEVILLE			
:062110777: 70018188			

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
<b>CASH</b>	CURRENCY	500.00
	COIN	
	LIST CHECKS SINGLY	773.76
DATE 3/11/2016		
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>		
TOTAL FROM OTHER SIDE		
<small>SEE VERSO FOR CASH RECEIVED IF REQUESTED</small>		
TOTAL		1,273.76
LESS CASH RECEIVED		
NET CASH RECEIVED		1,273.76
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
<b>CASH</b>	CURRENCY	500.00
	COIN	
	LIST CHECKS SINGLY	779.92
DATE 3/11/2016		
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>		
TOTAL FROM OTHER SIDE		
<small>SEE VERSO FOR CASH RECEIVED IF REQUESTED</small>		
TOTAL		1,279.92
LESS CASH RECEIVED		
NET CASH RECEIVED		1,279.92
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
<b>CASH</b>	CURRENCY	500.00
	COIN	
	LIST CHECKS SINGLY	899.92
DATE 3/11/2016		
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>		
TOTAL FROM OTHER SIDE		
<small>SEE VERSO FOR CASH RECEIVED IF REQUESTED</small>		
TOTAL		1,399.92
LESS CASH RECEIVED		
NET CASH RECEIVED		1,399.92
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
<b>CASH</b>	CURRENCY	500.00
	COIN	
	LIST CHECKS SINGLY	1,283.23
DATE 3/15/2016		
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>		
TOTAL FROM OTHER SIDE		
<small>SEE VERSO FOR CASH RECEIVED IF REQUESTED</small>		
TOTAL		1,783.23
LESS CASH RECEIVED		
NET CASH RECEIVED		1,783.23
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
<b>CASH</b>	CURRENCY	500.00
	COIN	
	LIST CHECKS SINGLY	598.49
DATE 3/15/2016		
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>		
TOTAL FROM OTHER SIDE		
<small>SEE VERSO FOR CASH RECEIVED IF REQUESTED</small>		
TOTAL		1,098.49
LESS CASH RECEIVED		
NET CASH RECEIVED		1,098.49
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
<b>CASH</b>	CURRENCY	500.00
	COIN	
	LIST CHECKS SINGLY	967.73
DATE 3/17/2016		
<small>DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>		
TOTAL FROM OTHER SIDE		
<small>SEE VERSO FOR CASH RECEIVED IF REQUESTED</small>		
TOTAL		1,467.73
LESS CASH RECEIVED		
NET CASH RECEIVED		1,467.73
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY	1,142.96	
	COIN		
LIST CHECKS SINGLY			
TOTAL FROM OTHER SIDE			
DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL			
DATE 3/17/2016		TOTAL	1,142.96
DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL		LESS CASH RECEIVED	
BANK OF LAWRENCEVILLE		NET CASH RECEIVED	1,142.96
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY	1,121.06	
	COIN		
LIST CHECKS SINGLY			
TOTAL FROM OTHER SIDE			
DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL			
DATE 3/18/2016		TOTAL	1,121.06
DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL		LESS CASH RECEIVED	
BANK OF LAWRENCEVILLE		NET CASH RECEIVED	1,121.06
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY	1,887.37	
	COIN		
LIST CHECKS SINGLY			
TOTAL FROM OTHER SIDE			
DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL			
DATE 3/18/2016		TOTAL	1,887.37
DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL		LESS CASH RECEIVED	
BANK OF LAWRENCEVILLE		NET CASH RECEIVED	1,887.37
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY	1,703.45	
	COIN		
LIST CHECKS SINGLY			
TOTAL FROM OTHER SIDE			
DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL			
DATE 3/22/2016		TOTAL	1,703.45
DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL		LESS CASH RECEIVED	
BANK OF LAWRENCEVILLE		NET CASH RECEIVED	1,703.45
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY	1,140.92	
	COIN		
LIST CHECKS SINGLY			
TOTAL FROM OTHER SIDE			
DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL			
DATE 3/24/2016		TOTAL	1,140.92
DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL		LESS CASH RECEIVED	
BANK OF LAWRENCEVILLE		NET CASH RECEIVED	1,140.92
:062110777: 70018188			

DEPOSIT TICKET		64-777/611	
ANDERSON INTERNAL MEDICINE Lawrenceville, GA			
CASH	CURRENCY	1,068.76	
	COIN		
LIST CHECKS SINGLY			
TOTAL FROM OTHER SIDE			
DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL			
DATE 3/25/2016		TOTAL	1,068.76
DEPOSITS MADE MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL		LESS CASH RECEIVED	
BANK OF LAWRENCEVILLE		NET CASH RECEIVED	1,068.76
:062110777: 70018188			

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
DATE	3/28/2016	
<small>DEPOSIT SLIP MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>		
TOTAL FROM OTHER SIDE		
TOTAL		1,126.09
LESS CASH RECEIVED		
NET CASH RECEIVED		1,126.09
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

DEPOSIT TICKET		64-777/611
ANDERSON INTERNAL MEDICINE Lawrenceville, GA		
DATE	3/29/2016	
<small>DEPOSIT SLIP MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small>		
TOTAL FROM OTHER SIDE		
TOTAL		1,005.21
LESS CASH RECEIVED		
NET CASH RECEIVED		1,005.21
BANK OF LAWRENCEVILLE		
:062110777: 70018188		

# 7-4 CASE 4: USING DATA ANALYTICS: ANALYZING AND SUMMARIZING DATA WITH EXCEL PIVOT [ANDERSON INTERNAL MEDICINE (EXCEL PIVOT)]

ANDERSON BANK TRANSACTIONS (SEP OCT NOV DEC JAN FEB)  
 DETAILS OF TRANSACTIONS IN BANK OF LAWRENCEVILLE A/C 171499800  
 FROM SEPTEMBER 1, 2015 TO FEBRUARY 29, 2016  
 ALL TRANSACTIONS  
 ANDERSON INTERNAL MEDICINE  
 LAWRENCEVILLE, GA  
 CASE NUMBER: 16-023

Posted Date	Check Number	Check Date	Payee of Check / Debit	Check Endorsement	Amount Check/Debit	Amount Deposit	Bank Balance	Check Category	Deposit Category
09/07/15							8,921.58	<< BEG. BALANCE	
09/01/15	649	08/29/15	Linens to You		8,575.00	1,734.40	10,655.98		Cash deposit
09/02/15							2,080.98		Cash deposit
09/03/15	650	08/31/15	Parking Co of America		53.00	1,587.53	3,322.59		Cash deposit
09/04/15	651	08/31/15	Water and Sewer Dept.		59.24	1,139.63	4,910.12		Cash deposit
09/04/15	653	09/01/15	Georgia Professional Insurance		198.50		4,857.12		Cash deposit
09/04/15	654	09/01/15	Georgia Professional Insurance		207.30		4,797.88		Cash deposit
09/04/15	655	09/01/15	Georgia Prof Ins		248.00		5,283.51		
09/04/15	656	09/01/15	Georgia Professional Insurance		294.50		4,989.01		
09/04/15	657	09/01/15	Sensitive Waste Services		127.75		4,861.26		
09/04/15	658	09/01/15	Verizon		218.69		4,642.57		
09/04/15			Withdrawal		200.00		4,442.57		
09/04/15			Brown's Hardware		21.20		4,421.37		
09/04/15			UPS		89.72		4,331.65		
09/04/15			UPS		210.52		4,121.13		
09/05/15			Georgia Power Company		3,234.12	1,298.30	5,419.43		Cash deposit
09/05/15	660	09/02/15	Kinko's		71.74		2,185.31		
09/05/15			Larry's Deli		22.72		2,113.57		
09/07/15	661	09/04/15	Horizon Telephone Company		1,455.53	1,503.27	2,090.85		Cash deposit
09/08/15							3,594.12		Cash deposit
09/09/15							2,138.59		Cash deposit
09/10/15	662	09/07/15	76 Church Street		29.88	1,763.82	3,902.41		Cash deposit
09/10/15	663	09/07/15	Andrew & Duncall		125.00	1,782.53	5,684.94		Cash deposit
09/10/15	664	09/07/15	Georgia Prof Ins		95.78	2,307.43	7,992.37		Cash deposit
09/10/15	665	09/07/15	Kennesaw Health Plan		75.00		7,962.49		Cash deposit
09/10/15	666	09/07/15	Marjorie's Cleaning Services		75.00		7,907.91		Cash deposit
09/10/15	667	09/07/15	Parkare Band Boosters		75.00	1,313.93	8,709.84		Cash deposit

**DETAILS OF TRANSACTIONS IN BANK OF LAWRENCEVILLE A/C 171499800  
FROM SEPTEMBER 1, 2015 TO FEBRUARY 29, 2016**

**ALL TRANSACTIONS**  
**ANDERSON INTERNAL MEDICINE**  
**LAWRENCEVILLE, GA**  
**CASE NUMBER: 16-023**

**Schedule 2**

Posted Date	Check Number	Check Date	Payee of Check/Debit	Check Endorsement	Amount Check/Debit	Amount Deposit	Bank Balance	Check Category	Deposit Category
09/11/15	668	09/08/15	KiKo's		77.79		8,632.05		
09/11/15	669	09/08/15	Southeast Airlines		401.94		8,230.11		Cash deposit
09/12/15		09/08/15	Withdrawal		700.00	1,477.74	7,530.11		
09/12/15	670	09/09/15	Georgia Professional Insurance		27.98		9,007.85		
09/13/15		09/10/15	Cash		1,221.18		8,979.87		
09/13/15	670	10/13/15	Physicians Central		256.00	1,219.92	7,758.69		Cash deposit
09/14/15		10/14/15	Physicians Central		768.00		8,722.61		
09/15/15	671	09/12/15	Kennesaw HP		190.71	1,273.16	7,954.61		Cash deposit
09/15/15	672	09/12/15	Southeast Airlines		563.12		9,037.06		
09/15/15	673	09/12/15	Standard Mortgage Co.		7,050.29		8,473.94		
09/15/15	674	09/12/15	Water and Sewer Dept.		40.69		1,423.65		
09/16/15	675	09/12/15					1,382.96		
09/17/15	676	09/14/15	Blue Jay Health		1,927.27	1,399.92	2,782.88		Cash deposit
09/17/15	677	09/14/15	North Georgia PCS		198.23	1,551.82	4,334.70		Cash deposit
09/17/15		09/14/15	Strip TZ Grill		408.00		2,209.20		
09/18/15	678	09/15/15	Central Office Supply		48.72	1,098.49	1,801.20		Cash deposit
09/18/15							2,899.69		
09/19/15							2,830.97		
09/20/15							4,634.20		
09/21/15							1,783.23		Cash deposit
09/22/15							1,142.96		Cash deposit
09/22/15							1,467.13		Cash deposit
09/23/15							7,244.29		Cash deposit
09/23/15							8,365.35		Cash deposit
09/23/15	679	09/20/15	Tonya Larsen		2,497.89	1,887.37	10,252.72		Cash deposit
09/24/15							7,754.83		
09/25/15							1,703.45		Cash deposit
09/25/15							9,458.28		Cash deposit
09/26/15	680	10/24/15	Physicians Central		256.00	1,068.76	10,599.20		Cash deposit
09/26/15	681	10/27/15	Physicians Central		768.00		11,667.96		Cash deposit
09/27/15		09/24/15	Food-Mart		247.63		11,411.96		
09/28/15							10,643.96		
09/28/15							10,396.33		
09/28/15							11,522.42		Cash deposit

**DETAILS OF TRANSACTIONS IN BANK OF LAWRENCEVILLE A/C 171499800  
FROM SEPTEMBER 1, 2015 TO FEBRUARY 29, 2016**  
**ALL TRANSACTIONS**  
**ANDERSON INTERNAL MEDICINE**  
**LAWRENCEVILLE, GA**  
**CASE NUMBER: 16-023**

**Schedule 2**

Posted Date	Check Number	Check Date	Payee of Check/Debit	Check Endorsement	Amount Check/Debit	Amount Deposit	Bank Balance	Check Category	Deposit Category
09/29/15						1,005.21	12,527.63		Cash deposit
09/30/15		09/30/15	Bank Fee		21.36	1,005.21	13,532.84		Cash deposit
10/01/15		09/28/15	Linens to U		8,575.00	1,793.40	15,304.88		Cash deposit
10/02/15	683	09/29/15	Barry's Com'l Repairs		1,900.00	1,300.61	6,729.88		Cash deposit
10/03/15	684	09/30/15	Parking Co of America		53.00		8,030.49		Cash deposit
10/05/15	685	10/02/15	Georgia Power Company		3,174.12	1,646.53	6,077.49		Cash deposit
10/05/15	686	10/03/15	Kennesaw Health Plan		27.00	1,198.63	4,549.90		Cash deposit
10/06/15	687	10/04/15	Horizon Telephone Company		1,455.53	1,357.30	7,078.83		Cash deposit
10/07/15	688	10/07/15	J Jason Dawson	J Jason Dawson	5,800.00	1,562.27	5,623.30		Cash deposit
10/08/15						1,822.82	9,008.39		Cash deposit
10/09/15						1,841.53	10,849.92		Cash deposit
10/10/15	689	10/07/15	J Dawson			2,366.43	7,416.35		Cash deposit
10/12/15						1,372.93	8,789.28		Cash deposit
10/13/15		10/10/15	Food-Mart		349.63	1,536.74	9,976.39		Cash deposit
10/14/15						1,278.92	4,205.02		Cash deposit
10/15/15	691	10/12/15	Standard Mortgage Co.		7,050.29	1,332.16	5,537.18		Cash deposit
10/16/15		10/13/15	Church Street		71.99	5,465.19	5,465.19		Cash deposit
10/16/15	692	10/13/15	Kennesaw Health Plan		8.98	5,456.21	5,456.21		Cash deposit
10/16/15	693	10/13/15	Marjorie's Cleaning Services		75.00	5,381.21	5,381.21		Cash deposit
10/16/15	694	10/13/15	Marjorie's Cleaning Services		75.00	5,306.21	5,306.21		Cash deposit
10/16/15	695	10/13/15	Physicians Central		256.00	5,050.21	5,050.21		Cash deposit
10/16/15	696	10/13/15	ATM		300.00	4,750.21	4,750.21		Cash deposit
10/16/15		10/13/15	UPS		12.84	1,458.92	4,737.37		Cash deposit
10/17/15	697	10/14/15	Always Their		150.00	6,046.29	6,046.29		Cash deposit

**DETAILS OF TRANSACTIONS IN BANK OF LAWRENCEVILLE A/C 171499800  
FROM SEPTEMBER 1, 2015 TO FEBRUARY 29, 2016**

**ALL TRANSACTIONS  
ANDERSON INTERNAL MEDICINE  
LAWRENCEVILLE, GA  
CASE NUMBER: 16-023**

**Schedule 2**

Posted Date	Check Number	Check Date	Payee of Check/ Debit	Check Endorsement	Amount Check/Debit	Amount Deposit	Bank Balance	Check Category	Deposit Category
10/17/15	698	10/17/15	Barry's Commercial Repairs		357.00		5,489.29		
10/17/15	699	10/14/15	North Georgia PCS		198.23		5,291.06		
10/17/15	700	10/14/15	Physicians Central		768.00		4,523.06		
10/17/15	701	10/14/15	Southeast Airlines		427.70		4,095.36		
10/18/15	702	10/15/15	Aghonze Tree Service		170.00		3,925.36		
10/18/15	703	10/15/15	Always There		100.00		3,825.36		
10/18/15	704	10/15/15	Shwartz German Haus		97.91	1,610.82	3,727.45		Cash deposit
10/19/15						1,157.49	5,338.27		Cash deposit
10/20/15	705	10/17/15	FredEx Kinko's		2.57		6,495.76		
10/20/15	706	10/17/15	Johnson Medical Coding		4.75		6,493.19		
10/21/15							6,488.44		
10/22/15							8,330.67		Cash deposit
10/22/15							1,201.96		Cash deposit
10/23/15							9,532.63		Cash deposit
10/23/15	707	10/20/15	Always Their		125.00		10,933.76		
10/23/15	708	10/20/15	Herald, Johnson, Bates		225.99		10,707.77		
10/23/15	709	10/20/15	Organic Steam		109.67		10,598.10		
10/23/15	710	10/20/15	Sensitive Waste Services		14.71		10,583.39		
10/23/15	711	10/20/15	Sensitive Waste Services		70.92		10,512.47		
10/23/15	712	10/20/15	Tonya Larsen		2,497.89		8,014.58		
10/23/15	713	10/20/15	Verizon		218.69		7,795.89		
10/23/15	714	10/20/15	Verizon Wireless		218.69		7,577.20		
10/23/15	715	10/20/15	Verizon Wireless		218.69		7,358.51		
10/23/15	716	10/20/15	Verizon		218.69		7,139.82		
10/24/15						1,180.06	8,319.88		Cash deposit
10/24/15	717	10/21/15	Andrew & Duvall		190.00		8,129.88		
10/24/15	718	10/21/15	Georgia Professional Insurance		105.00		8,024.88		
10/24/15	719	10/21/15	KIA Finance Company		599.75		7,425.13		
10/24/15	720	10/21/15	KIA Southeast		599.75		6,825.38		
10/24/15					27.27		6,798.11		
10/25/15	721	10/22/15	Browns Hardware		209.97		6,588.14		
10/25/15					27.77		6,560.37		
10/25/15					100.00	1,946.37	8,506.74		Cash deposit
10/26/15							8,406.74		

**DETAILS OF TRANSACTIONS IN BANK OF LAWRENCEVILLE A/C 171499800**  
**FROM SEPTEMBER 1, 2015 TO FEBRUARY 29, 2016**  
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**ANDERSON INTERNAL MEDICINE**  
**LAWRENCEVILLE, GA**  
**CASE NUMBER: 16-023**

**Schedule 2**

Posted Date	Check Number	Check Date	Payee of Check / Debit	Check Endorsement	Amount Check/Debit	Amount Deposit	Bank Balance	Check Category	Deposit Category
10/27/15	724	10/24/15	Jason Dawson	J Dawson	6,700.00	1,762.45	10,169.19		Cash deposit
10/27/15	725	10/24/15	Kennesaw HP		214.00		3,469.19		
10/27/15	726	10/24/15	Kinko's		79.55		3,255.19		
10/27/15	727	10/24/15	Post USA	Team Pent USA Co	145.00		3,175.64		
10/27/15	728	10/24/15	Physicians Central		256.00		3,030.64		
10/27/15		10/24/15	Froed-Mart		256.23		2,774.64		
10/28/15						1,199.92	5,718.33		Cash deposit
10/29/15						1,127.76	4,846.09		Cash deposit
10/30/15						1,185.09	6,031.18		Cash deposit
10/30/15	729	10/27/15	Marjories Cleaning Services		75.00		5,956.18		
10/30/15	730	10/27/15	Physicians Central		768.00		5,188.18		
10/31/15	731	10/28/15	Herald, Johnson, Bates		201.12		4,987.06		
10/31/15	732	10/28/15	Johnson Medical Coding		92.05		4,895.01		
10/31/15		10/31/15	Bank Fee		23.58		4,871.43		
11/01/15	733	10/29/15	Linens to You		1,575.00		3,296.43		
11/02/15						981.60	4,278.03		Cash deposit
11/02/15	734	10/30/15	Barry's Commercial Repairs		922.00		3,356.03		
11/02/15	735	10/30/15	Schwartz German Haus		97.97		3,258.06		
11/03/15						981.60	4,239.66		Cash deposit
11/03/15	737	10/31/15	Johnson Coding		20.00		4,219.66		
11/03/15	738	10/31/15	Parking Co of America		53.00		4,166.66		
11/03/15	739	10/31/15	Shwartz German Haus		7.91		4,158.75		
11/03/15		10/31/15	Browns Hardware		95.00		4,063.75		
11/04/15						1,769.79	5,833.54		Cash deposit
11/05/15	740	11/02/15	Georgia Power Company		2,998.36		7,110.54		Cash deposit
11/06/15						1,622.92	4,112.18		Cash deposit
11/06/15	741	11/03/15	Kennesaw Health Plan		19.92		5,735.10		
11/06/15	742	11/03/15	KIA Finance Company		599.75		5,115.43		
11/07/15	743	11/04/15	Horizon Telephone Company		1,455.53		6,290.45		Cash deposit
11/09/15						1,333.69	4,834.92		Cash deposit
11/09/15	744	11/06/15	Physicians Central		256.00		5,912.61		Cash deposit

**DETAILS OF TRANSACTIONS IN BANK OF LAWRENCEVILLE A/C 171499800  
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**ALL TRANSACTIONS  
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LAWRENCEVILLE, GA  
CASE NUMBER: 16-023**

**Schedule 2**

Posted Date	Check Number	Check Date	Payee of Check/Debit	Check Endorsement	Amount Check/Debit	Amount Deposit	Bank Balance	Check Category	Deposit Category
11/10/15						1,538.06	7,451.27		Cash deposit
11/11/15						1,799.21	9,250.48		Cash deposit
11/12/15						1,817.92	11,068.40		Cash deposit
11/13/15						2,342.82	13,411.22		Cash deposit
11/13/15		11/10/15	Food-Mart		313.33		13,097.89		Cash deposit
11/14/15		11/11/15	76 Church Street		87.00		14,447.21		Cash deposit
11/14/15	745	11/11/15	Georgia Prof Ins		172.14		14,360.21		
11/14/15	746	11/11/15	Physicians Central		768.00		13,420.07		
11/14/15	747	11/11/15	Andrew and Duvall		155.00		13,265.07		
11/15/15	748	11/12/15	Std Mortgage Co.		7,050.29		6,214.78		
11/15/15	749	11/12/15	Std Mortgage Co.				7,727.91		Cash deposit
11/16/15	750	11/13/15	Georgia Prof Ins		87.00		7,640.91		
11/16/15	751	11/13/15	KIA Finance Company		599.75		7,041.16		
11/17/15						1,255.31	8,296.47		Cash deposit
11/17/15	752	11/14/15	Barry's Com'l Repairs		998.00		7,298.47		
11/17/15	753	11/14/15	North Georgia PCS		198.23		7,100.24		
11/18/15						1,308.55	8,408.79		Cash deposit
11/18/15	754	11/15/15	Barry's Com'l Repairs		728.00		7,680.79		
11/19/15						1,435.31	9,116.10		Cash deposit
11/20/15						1,587.21	10,703.31		Cash deposit
11/20/15	755	11/17/15	Andrew & Duvall		200.00		10,503.31		
11/20/15	756	11/17/15	Central Office Supply		7.74		10,495.57		
11/20/15	757	11/17/15	Central Office Supply		191.95		10,303.62		
11/20/15	758	11/17/15	Johnson Medical Coding		29.99		10,273.63		
11/20/15	759	11/17/15	Kennesaw Health Plan		41.77		10,231.86		
11/20/15	760	11/17/15	Kennesaw HP		170.00		10,061.86		
11/20/15	761	11/17/15	Physicians Central		256.00		9,805.86		
11/20/15	762	11/17/15	Schwartz German Haus		70.17		9,735.69		
11/20/15	763	11/17/15	Water and Sewer		54.59		9,681.10		
11/20/15		11/17/15	Larry's Delication		29.77		9,651.33		
11/20/15		11/17/15	LTS		27.00		9,624.33		
11/21/15	764	11/18/15	Physicians Central		768.00		10,738.21		Cash deposit
11/21/15						1,133.88	9,990.21		Cash deposit

**DETAILS OF TRANSACTIONS IN BANK OF LAWRENCEVILLE A/C 171499800**  
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**ALL TRANSACTIONS**  
**ANDERSON INTERNAL MEDICINE**  
**LAWRENCEVILLE, GA**  
**CASE NUMBER: 16-023**

**Schedule 2**

Posted Date	Check Number	Check Date	Check	Payee of Check/Debit	Check Endorsement	Amount Check/Debit	Amount Deposit	Bank Balance	Check Category	Deposit Category
11/21/15	765	11/18/15		Water and Sewer Dept		42.79		9,947.42		
11/22/15	766	11/19/15		Parkaire BB		75.00		9,872.42		
11/22/15	767	11/19/15		Discount Tobacco Supply Company		900.00	1,818.62	8,972.42		Cash deposit
11/23/15	768	11/20/15		Tonya Larsen		2,497.89	1,178.35	10,791.04		Cash deposit
11/24/15		11/21/15		Larry's Deli		15.25		9,471.50		
11/24/15		11/21/15		Browns Hardware		405.55		9,456.25		
11/25/15		11/23/15		Food-Mart		407.89	1,502.52	9,050.70		Cash deposit
11/27/15	769	11/24/15		Central Office Supply		7.17	1,156.45	10,553.22		Cash deposit
11/27/15	770	11/24/15		Central Office Supply		18.77		10,145.33		Cash deposit
11/27/15	771	11/24/15		Central Office Sup		79.57		11,294.61		
11/27/15	772	11/24/15		Central Office Supply		99.10		11,275.84		
11/27/15	773	11/24/15		Marjorie's Cleaning Services		75.00		11,196.27		
11/27/15	774	11/24/15		Marjorie's Cleaning Services		75.00		11,097.17		
11/27/15	775	11/24/15		Water and Sewer		49.89		11,022.17		
11/27/15		11/24/15		Browns Hardware		19.77		10,947.17		
11/27/15		11/24/15		United Postal Service		23.32	1,922.76	10,897.28		Cash deposit
11/28/15	776	11/25/15		Blue Jay Health		1,829.98		10,854.19		
11/28/15	777	11/25/15		Herald Bates		270.49		12,776.95		
11/28/15	778	11/25/15		Johnson Coding		99.49		10,946.97		
11/29/15	779	11/26/15		Always There		150.00		10,676.48		
11/29/15	780	11/26/15		Marjorie's Cleaning Services		75.00		10,576.99		
11/29/15	781	11/26/15		Marjorie's Cleaning Services		75.00		10,426.99		
11/29/15		11/26/15		UPS		25.50		10,351.99		
11/30/15		11/31/15		Bank Fee		22.98	1,738.84	10,276.99		Cash deposit
12/01/15	782	11/28/15		Lihans to You		8,575.00	1,104.15	11,980.33		Cash deposit
12/02/15							15,071.50	11,967.35		Cash deposit
							4,496.50	5,665.98		Cash deposit

**DETAILS OF TRANSACTIONS IN BANK OF LAWRENCEVILLE A/C 171499800  
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**ALL TRANSACTIONS  
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LAWRENCEVILLE, GA  
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**Schedule 2**

Posted Date	Check Number	Check Date	Payee of Check/Debit	Check Endorsement	Amount Check/Debit	Amount Deposit	Bank Balance	Check Category	Deposit Category
12/03/15	783	11/30/15	Pkg Co of America		53.00	957.99	6,615.97		Cash deposit
12/03/15	784	11/30/15	Water and Sewer Dept.		43.66		6,562.97		Cash deposit
12/04/15		12/01/15	Withdrawal		700.00	957.99	6,519.31		Cash deposit
12/05/15	785	12/02/15	Georgia Power Company		3,261.45	1,746.18	7,477.30		Cash deposit
12/05/15		12/02/15	Food-Mart		388.99		6,777.30		Cash deposit
12/07/15	786	12/04/15	Horizon Telephone Company		1,455.53	1,253.39	5,262.03		Cash deposit
12/08/15	787	12/05/15	Discount Tobacco Supply Company		1,670.00	1,599.31	4,873.04		Cash deposit
12/10/15							4,670.90		Cash deposit
12/11/15	788	12/08/15	Always Their		175.00	1,151.41	6,270.21		Cash deposit
12/11/15	789	12/08/15	Central Office Sup		47.70	1,310.08	4,600.21		Cash deposit
12/11/15	790	12/08/15	Kennesaw HP		7.80	1,515.05	7,061.70		Cash deposit
12/11/15	791	12/08/15	Kinko's		47.55		5,751.62		Cash deposit
12/11/15	792	12/08/15	Physicians Central		256.00		8,576.75		Cash deposit
12/11/15		12/08/15	ATM		250.00		8,401.75		Cash deposit
12/11/15		12/08/15	Food-Mart		327.84		8,334.05		Cash deposit
12/11/15		12/08/15	Food-Mart		222.02		8,346.25		Cash deposit
12/12/15	793	12/09/15	Marjorie's Cleaning Services		75.00	1,775.60	8,298.70		Cash deposit
12/12/15	794	12/09/15	Sensitive Waste Services		29.00		8,042.70		Cash deposit
12/12/15		12/09/15	Brown's Hardware		28.49		7,792.70		Cash deposit
12/14/15	795	12/11/15	Shwartz German Haus		44.79	1,794.31	7,464.86		Cash deposit
12/14/15		12/11/15	UPS		45.63		7,242.84		Cash deposit
12/14/15		12/11/15	United Postal Service		22.11		9,018.44		Cash deposit
12/15/15	796	12/12/15	Central Office Supply		20.52	2,319.21	8,943.44		Cash deposit
12/15/15	797	12/12/15	Standard Mortgage Co.		7,050.29		8,914.44		Cash deposit
							8,885.95		Cash deposit
							10,680.26		Cash deposit
							10,635.47		Cash deposit
							10,591.84		Cash deposit
							12,888.94		Cash deposit
							12,868.42		Cash deposit
							5,818.13		Cash deposit

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**LAWRENCEVILLE, GA**  
**CASE NUMBER: 16-023**

**Schedule 2**

Posted Date	Check Number	Check Date	Payee of Check / Debit	Check Endorsement	Amount Check/Debit	Amount Deposit	Bank Balance	Check Category	Deposit Category
12/16/15						1,325.71	7,143.84		Cash deposit
12/17/15	798	12/14/15	Barry's Commercial Repairs		870.00	1,489.52	8,633.36		Cash deposit
12/17/15	799	12/14/15	North Georgia PCS		198.23		7,763.36		
12/18/15	800	12/15/15	Andrew & Duvall		175.00	1,231.70	7,565.13		Cash deposit
12/18/15	801	12/15/15	Georgia Professional Insurance		52.92		8,796.83		
12/18/15	802	12/15/15	Kennesaw Health Plan		21.99		8,621.83		
12/18/15	803	12/15/15	Kinko's		91.99		8,546.92		
12/18/15	804	12/15/15	Marjorie's Cleaning Services		75.00		8,454.93		
12/18/15		12/15/15	Food-Mart		223.56		8,156.37		
12/19/15	805	12/16/15	Always Their		125.00	1,284.94	9,441.31		Cash deposit
12/19/15	806	12/16/15	Shwartz German Haus		25.10		9,291.21		
12/20/15	807	12/17/15	Central Office Sup		957.25		8,333.96		
12/20/15	808	12/17/15	Kinko's		472.97		7,860.99		
12/20/15		12/17/15	Food-Mart		407.44		7,453.55		
12/21/15	809	12/18/15	Sensitive Waste Services		25.05	1,411.70	8,665.25		Cash deposit
12/21/15		12/18/15	Brown's Hardware		194.25		8,840.20		
12/21/15		12/18/15	ATM		300.00		8,645.95		
12/22/15		12/19/15	Kennesaw Health Plan		98.07	1,563.60	9,909.55		Cash deposit
12/22/15	811	12/19/15	Pest USA		990.21		9,811.48		
12/23/15	812	12/20/15	Tonya Larsen	Team Pent USA Co	2,497.89		8,821.27		
12/23/15		12/20/15	Food-Mart		247.89	1,110.27	6,323.38		Cash deposit
12/24/15	813	12/23/15	Always There		125.00	1,795.01	7,433.65		Cash deposit
12/26/15	814	12/23/15	Blue Jaa Health		1,377.38		8,980.77		Cash deposit
12/26/15	815	12/23/15	Central Office Sup		219.05		8,655.77		
12/26/15	816	12/23/15	Kennesaw Health Plan		21.28		7,259.34		
12/26/15		12/23/15	Williams-Sonoma		149.75		7,238.06		
12/26/15	817	12/23/15	Brown's Hardware		45.90		7,088.31		
12/26/15							7,042.41		

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**LAWRENCEVILLE, GA**  
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**Schedule 2**

Posted Date	Check Number	Check Date	Payee of Check / Debit	Check Endorsement	Amount Check/Debit	Amount Deposit	Bank Balance	Check Category	Deposit Category
12/26/15		12/23/15	Toys R US		58.28		6,984.13		
12/27/15	818	12/24/15	Marjories Cleaning Services		75.00		6,909.13		
12/27/15	819	12/24/15	Water and Sewer Dept.		48.55		6,860.58		
12/28/15	820	12/25/15	Physicians Central		768.00		6,092.58		Cash deposit
12/28/15		12/28/15				1,154.74	7,247.32		
12/29/15	821	12/26/15	Georgia Prof Ins		14.98		7,232.34		
12/29/15	822	12/26/15	Georgia Professional Insurance		59.00		7,173.34		
12/29/15	823	12/26/15	Schwartz German Haus		9.00		7,164.34		
12/30/15		12/31/15	Cash			1,478.91	8,643.25		Cash deposit
12/30/15		12/31/15			3,500.00	1,132.84	9,776.09		Cash deposit
12/31/15		12/31/15	Bank Fee		23.14		44,152.10		Cash deposit
12/31/15	824	12/29/15	Linens to U		8,575.00		35,577.10		Cash deposit
01/01/16		12/30/15	Marjories Cleaning Services		75.00		37,217.33		Cash deposit
01/02/16	832	12/30/15	Parkaire Band Boosters		256.00		36,886.33		
01/02/16	834	12/30/15	Physicians Central		407.33		36,479.00		
01/02/16	835	12/30/15	Blue Jay Health		152.00		36,327.00		
01/02/16	836	12/30/15	Barry's Commercial Repairs		195.00		36,132.00		
01/02/16	838	12/30/15	Barry's Com'l Repairs		195.00		36,132.00		
01/02/16	839	12/30/15	Goode's Furniture		1,737.69		34,394.31		
01/02/16	845	12/30/15	Herald, Johnson, Bates		287.00		34,107.31		
01/02/16	846	12/30/15	Kennesaw HP		5.90		34,101.41		
01/02/16	847	12/30/15	Andrew and Duvall		195.00		33,906.41		
01/02/16		12/31/15	Disney World		3,273.00	1,152.70	35,059.11		Cash deposit
01/03/16	840	12/31/15	Andrew and Duvall		270.00		31,786.11		
01/03/16	841	12/31/15	Southeast Airlines		375.00		31,411.11		
01/03/16	842	12/31/15	Southeast Airlines		413.53		30,727.58		
01/03/16	843	12/31/15	Southeast Airlines		397.99		30,329.59		
01/03/16	844	12/31/15	Water and Sewer Dept.		47.25		30,282.34		
01/04/16	825	12/30/15	Title Quick		10,578.67		19,703.67		

**DETAILS OF TRANSACTIONS IN BANK OF LAWRENCEVILLE A/C 171499800**  
**FROM SEPTEMBER 1, 2015 TO FEBRUARY 29, 2016**  
**ALL TRANSACTIONS**  
**ANDERSON INTERNAL MEDICINE**  
**LAWRENCEVILLE, GA**  
**CASE NUMBER: 16-023**

**Schedule 2**

Posted Date	Check Number	Check Date	Payee of Check / Debit	Check Endorsement	Amount Check/Debit	Amount Deposit	Bank Balance	Check Category	Deposit Category
01/04/16	901	01/01/16	Always Their		100.00	1,780.54	19,603.67		Cash deposit
01/04/16	826	12/30/15	Tumbler Casino		7,000.00		21,384.21		
01/05/16	827	12/30/15	Jack Gotti		7,324.23		14,384.21		
01/05/16	902	01/02/16	Georgia Power Company		2,214.15		7,059.98		
01/05/16	903	01/02/16	Kennesaw Health Plan		200.00		4,845.83		
01/05/16	904	01/02/16	Marporie Cleaning Services		75.00		4,645.83		
01/05/16	905	01/02/16	Sensitive Waste Services		7.84		4,570.83		
01/05/16	829	12/31/15	C&S Tobacco Wholesale		3,246.00	1,137.87	5,700.86		Cash deposit
01/06/16	830	12/31/15	Nationwide Beer and Wine		1,440.00		2,454.86		
01/06/16	906	01/04/16	Horizon Telephone Company		1,455.53	934.38	1,014.86		Cash deposit
01/07/16	907	01/05/16	Blue J Health		901.57	934.38	1,428.09		Cash deposit
01/08/16	908	01/05/16	ParKaure BB		75.00		526.52		
01/08/16	909	01/05/16	Larry's Deli		98.79	1,772.57	2,174.09		Cash deposit
01/09/16	910	01/10/16	Marporie's Cleaning Services		75.00		2,075.30		
01/10/16	911	01/07/16	ParKaure BB		75.00	1,747.46	3,747.76		Cash deposit
01/11/16	912	01/09/16	Kennesaw Health Plan		19.99	1,575.70	3,672.76		Cash deposit
01/12/16						1,127.80	5,248.46		Cash deposit
01/13/16						1,286.47	6,356.27		Cash deposit
01/14/16						1,491.44	7,642.74		Cash deposit
01/15/16	912	01/11/16	Food-Mart		222.93		9,134.18		Cash deposit
01/15/16						1,751.99	8,911.25		Cash deposit
01/16/16	913	01/12/16	Standard Mortgage Co.		7,050.29		1,860.96		Cash deposit
01/16/16	914	01/13/16	Central Office Supply		57.94		3,612.95		
01/16/16	915	01/13/16	Kinko's		90.97		3,555.01		
01/16/16	916	01/13/16	Shwartz German Haus		79.07		3,464.04		
01/16/16	917	01/13/16	Sensitive Waste Services		15.48		3,384.97		
01/16/16					9.52		3,369.49		
01/16/16							3,359.97		

**DETAILS OF TRANSACTIONS IN BANK OF LAWRENCEVILLE A/C 171499800  
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**ALL TRANSACTIONS**  
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**LAWRENCEVILLE, GA**  
**CASE NUMBER: 16-023**

**Schedule 2**

Posted Date	Check Number	Check Date	Payee of Check / Debit	Check Endorsement	Amount Check/Debit	Amount Deposit	Bank Balance	Check Category	Deposit Category
01/16/16	918	01/13/16	Water and Sewer Dept.		46.32	1,770.70	3,313.65		Cash deposit
01/16/16	837	12/30/15	Physicians Central		768.00		5,084.35		
01/17/16	920	01/14/16	North Georgia PCS		198.23		4,316.35		
01/17/16	921	01/14/16	Parkaire Band Boosters		75.00		4,118.12		
01/17/16	922	01/14/16	Parkaire Band Boosters		75.00		4,043.12		
01/18/16	924	01/15/16	Sensitive Waste Services		22.77	1,315.50	3,968.12		Cash deposit
01/18/16	925	01/15/16	Saggett's Garage		721.63		5,283.62		
01/19/16	926	01/16/16	Blue J Health		949.67	1,435.58	5,260.85		Cash deposit
01/20/16						5,974.80	4,539.22		
01/21/16						5,025.13	5,974.80		
01/22/16						6,491.04	5,025.13		Cash deposit
01/22/16						7,699.13	6,491.04		Cash deposit
01/23/16	927	01/19/16	Blue Jay Health		870.99	1,261.33	8,960.46		Cash deposit
01/23/16	928	01/20/16	Parking Co of America		53.00	1,276.94	8,089.47		Cash deposit
01/23/16	929	01/20/16	Parking Co of America		53.00		9,366.41		
01/23/16	930	01/20/16	Tomya Lansen		2,497.89		9,313.41		
01/23/16	931	01/20/16	Verizon		180.89		9,260.41		
01/23/16					17.00		6,762.52		
01/25/16						6,581.63	6,581.63		
01/25/16						6,584.63	6,584.63		Cash deposit
01/25/16	919	01/13/16	Physicians Central		256.00	1,276.94	7,841.57		
01/25/16	932	01/22/16	Kennesaw Health Plan		25.94	1,756.13	7,585.57		Cash deposit
01/26/16	933	01/23/16	Church Street		27.01		7,559.63		
01/26/16	934	01/23/16	Cherokee Co Tax Office		910.92		9,315.76		Cash deposit
01/26/16	935	01/23/16	FedEX Kinko's - Alpharetta		7.09		9,288.75		
01/28/16						8,370.74	8,370.74		
01/28/16						10,142.14	10,142.14		Cash deposit
01/29/16	923	01/14/16	Physicians Central		768.00	1,131.13	11,273.27		Cash deposit
01/29/16	936	01/26/16	Central Office Supply		47.49	2,187.89	13,461.16		Cash deposit
01/29/16	937	01/26/16	Johnson Coding		105.00		12,693.16		Cash deposit
01/29/16						12,540.67	12,540.67		

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**LAWRENCEVILLE, GA**  
**CASE NUMBER: 16-023**

**Schedule 2**

Posted Date	Check Number	Check Date	Payee of Check / Debit	Check Endorsement	Amount Check/Debit	Amount Deposit	Bank Balance	Check Category	Deposit Category
01/29/16	938	01/26/16	Water and Sewer		48.72		12,491.95		
01/29/16		01/26/16	Food-Mart		198.36		12,293.59		Cash deposit
01/30/16	940	01/28/16	Johnson Coding		7.54	1,109.23	13,402.82		
01/31/16	941	01/28/16	Johnson Medical Coding		7.97		13,395.28		
01/31/16		01/31/16	Bank Fee		22.98		13,387.31		
02/01/16						1,746.94	15,111.27		Cash deposit
02/01/16	939	01/27/16	Physicians Central		256.00		14,855.27		
02/01/16	943	01/29/16	Jenson's Furniture Warehouse		595.09		14,260.18		
02/01/16	944	01/29/16	Kinko's		270.00		13,990.18		
02/01/16	945	01/29/16	Linens to You		8,575.00		5,415.18		
02/01/16	946	01/29/16	Sensitive Waste Services		29.97		5,385.21		
02/01/16	947	01/29/16	Subscription Services		7.04		5,378.17		
02/01/16	948	01/29/16	Water and Sewer		41.55		5,336.62		
02/01/16		01/29/16	Larry's Deli		90.75		5,245.87		
02/01/16		01/29/16	Food-Mart		202.19		5,043.68		
02/02/16						1,965.09	7,008.77		Cash deposit
02/02/16						1,566.68	5,575.45		Cash deposit
02/02/16	950	01/30/16	Barry's Commercial Repairs		787.00		4,788.45		
02/02/16	951	01/30/16	Village Cleaners		59.75		4,728.70		
02/03/16	953	01/31/16	Water and Sewer Dept.		47.36		4,681.34		
02/04/16						1,127.76	5,809.10		Cash deposit
02/05/16	954	02/02/16	Always There		200.00	2,289.39	10,898.49		Cash deposit
02/05/16	955	02/02/16	Georgia Power Company		2,954.99		10,698.49		Cash deposit
02/05/16	956	02/02/16	Subscription Services		7.74		7,743.50		
02/06/16						910.77	7,735.76		Cash deposit
02/07/16	957	02/04/16	Cecilia Amelia Flapper	Cecilia A. Flapper	1,000.00		8,646.53		
02/07/16	958	02/04/16	Horizon Telephone Company		1,455.53		7,191.00		
02/08/16						1,497.36	7,688.36		Cash deposit
02/08/16	959	02/05/16	Always There		125.00	1,181.78	8,870.14		Cash deposit
02/08/16	960	02/05/16	Marietta Beverage Company		1,000.00		8,745.14		Cash deposit
02/08/16	961	02/05/16	Firestone		792.28		7,745.14		
							6,952.86		

**DETAILS OF TRANSACTIONS IN BANK OF LAWRENCEVILLE A/C 171499800  
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**ALL TRANSACTIONS**  
**ANDERSON INTERNAL MEDICINE**  
**LAWRENCEVILLE, GA**  
**CASE NUMBER: 16-023**

**Schedule 2**

Posted Date	Check Number	Check Date	Payee of Check / Debit	Check Endorsement	Amount Check/Debit	Amount Deposit	Bank Balance	Check Category	Deposit Category
02/08/16	962	02/08/16	Sensitive Waster Services		27.44		6,925.42		
02/09/16	963	02/06/16	Andrew and Duvall		195.00		6,730.42		
02/09/16	964	02/06/16	Georgia Prof Ins		94.75		6,635.67		
02/09/16	965	02/06/16	Verizon		218.69		6,416.98		Cash deposit
02/09/16	1011	02/26/16	Shamrock Groceries		1,000.00		5,416.98		Cash deposit
02/10/16		02/10/16				1,206.17	6,623.15		Cash deposit
02/11/16		02/11/16				1,639.18	8,262.33		Cash deposit
02/12/16		02/12/16				1,796.98	10,059.31		Cash deposit
02/12/16	966	02/09/16	Always Their		150.00		11,796.96		Cash deposit
02/12/16	967	02/09/16	Subscription Services		9.01		11,646.96		
02/12/16	968	02/10/16	Always Their		125.00		11,637.95		
02/13/16	969	02/10/16	Always Their		100.00		11,412.95		
02/13/16	970	02/10/16	Central Office Supply		91.89		11,321.06		
02/13/16	971	02/10/16	Sensitive Waster Services		77.74		11,243.32		
02/13/16	972	02/10/16	Sensitive Waste Services		44.49		11,198.83		
02/13/16		02/10/16	U/PS		15.00		11,183.83		
02/15/16		02/12/16	Slid Mortgage Co.		7,050.29		12,315.66		Cash deposit
02/15/16	973	02/12/16	Stephan T Wilson		500.00		5,265.37		
02/16/16		02/13/16	Always Their		125.00		4,765.37		
02/16/16	975	02/13/16	Central Office Sup		208.59		5,909.99		
02/16/16	976	02/13/16	Central Office Sup		4.54		5,601.40		
02/16/16	977	02/13/16	Georgia Professional Insurance		1,124.50		5,596.86		
02/16/16	978	02/13/16	KIA Finance Company		599.75		4,472.36		
02/16/16	979	02/13/16	Kinko's		49.02		3,872.61		
02/16/16	980	02/13/16	Water and Sewer		44.44		3,823.59		
02/16/16	981	02/13/16	ATM		275.00		3,779.15		
02/16/16		02/13/16	Food-Mart		459.91		3,044.24		
02/16/16		02/13/16	U/PS		41.30		3,002.94		
02/16/16		02/13/16	United Postal Service		12.39		2,990.55		
02/16/16		02/13/16	U/PS		17.95		2,972.60		
02/17/16						1,391.90	4,364.50		Cash deposit

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**Schedule 2**

Posted Date	Check Number	Check Date	Check	Payee of Check / Debit	Check Endorsement	Amount Check/Debit	Amount Deposit	Bank Balance	Check Category	Deposit Category
02/17/16	982	02/14/16	North Georgia PCS	Strip TZ Grille		1,192.00		4,166.27		
02/18/16							1,332.59	2,974.27		Cash deposit
02/19/16							1,278.49	4,306.86		Cash deposit
02/20/16	942	01/28/16	Physicians Central			768.00		5,585.35		
02/20/16	983	02/17/16	Andrew & Dorell			449.00		4,817.35		
02/20/16	984	02/17/16	KIA Finance Company			599.75		4,368.35		
02/20/16	985	02/17/16	Schwartz German Haus			29.98		3,788.60		
02/20/16	986	02/17/16	Sensitive Waste Services			999.75		3,738.62		
02/20/16								2,770.38		
02/20/16								2,629.59		
02/21/16	988	02/18/16	Brown's Hardware			28.49		2,770.38		
02/21/16								2,629.59		
02/21/16	989	02/18/16	ABC Bail Bonds LLC			80.79		(123.41)		
02/21/16								(198.41)		
02/21/16								(198.41)		
02/21/16								(198.41)		
02/21/16								(198.41)		
02/22/16								(198.41)		
02/22/16								(198.41)		
02/22/16	990	02/19/16	Amelia Flapper		Cecilia A Flapper	1,000.00		1,207.24		Cash deposit
02/23/16								1,422.86		
02/23/16								1,584.92		
02/23/16								1,792.16		
02/23/16								2,966.94		
02/23/16	949	01/29/16	Physicians Central			256.00		2,710.54		
02/23/16	952	01/30/16	Physicians Central			256.00		2,454.54		
02/23/16	991	02/20/16	Always There			175.00		2,279.54		
02/23/16	992	02/20/16	Tonya Larsen			1,097.89		1,181.65		
02/24/16								1,181.65		
02/25/16								1,659.78		
02/26/16								1,384.75		
02/26/16								4,226.18		
02/26/16								5,665.51		
02/26/16								6,816.42		
02/26/16								7,808.56		
02/26/16	993	02/23/16	Central Office Supply			7.79		7,800.77		
02/26/16	994	02/23/16	Central Office Supply			94.01		7,706.76		
02/26/16	995	02/23/16	Central Office Supply			209.08		7,497.68		
02/26/16	996	02/23/16	Johnson Medical Coding			117.00		7,380.68		
02/26/16	997	02/23/16	ParKaire BB			75.00		7,305.68		
02/26/16	998	02/23/16	ParKaire Band Boosters			75.00		7,230.68		
02/26/16	999	02/23/16	Shwartz German Haus			9.25		7,221.43		

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LAWRENCEVILLE, GA  
CASE NUMBER: 16-023**

**Schedule 2**

Posted Date	Check Number	Check Date	Payee of Check / Debit	Check Endorsement	Amount Check/Debit	Amount Deposit	Bank Balance	Check Category	Deposit Category
02/26/16	1000	02/23/16	Schwartz German Haus		94.59		7,126.84		
02/26/16		02/23/16	Larry's Deli		4.27		7,122.57		
02/26/16	1001	02/23/16	Strip Tz Grille		1,325.00		5,797.57		
02/27/16	1003	02/24/16	Blue Jay Health		1,977.29		3,820.28		
02/27/16	1004	02/24/16	FedEx Kinoko's		9.14		3,811.14		
02/27/16		02/24/16	Parkaire Band Boosters		75.00		3,736.14		
02/27/16		02/24/16	Food-Mart		209.96		3,526.18		
02/28/16	1005	02/25/16	Andrew & Duwall		190.00		3,336.18		
02/28/16	1007	02/25/16	Brian Frazier	Rhoda Frazier	670.00		2,666.18		
02/28/16	1008	02/25/16	Johnson Medical Coding		58.99		2,607.19		
02/28/16	1010	02/25/16	Kinoko's		107.20		2,499.99		
02/29/16		02/24/16	Strip Tz Grille		2,475.40	1,394.35	3,894.34		Cash deposit
02/29/16		02/26/16	Strip Tz Grille		871.08		1,418.94		
02/29/16		02/29/16	Bank Fee		21.65		547.86		
02/29/16							526.21	<< ENDING BALANCE	
					<b>265,513.35</b>	<b>257,117.98</b>			

## 7-5 CASE 5: TRACING DATA ANALYTICS RED FLAGS BACK TO SOURCE DOCUMENTS USING SUBPOENAS [ANDERSON INTERNAL MEDICINE AND LARSEN CONVENIENCE (HUSBAND/WIFE LOAN FRAUD AND CONSPIRACY)]

### Report of Interview

Interviewee: John Grayson, Senior Vice President, Waleska Bank  
Interviewer: Raymond T. Boone, CFE  
Date: May 5, 2016

John Grayson is the Senior Vice President and Branch Manager for Waleska Bank (WB) branch located on Highway 5 in Ball Ground, Georgia. Mr. Grayson said that he personally knows Greg and Tonya Larsen, both of whom have banked with WB since 2003. He sees each several times a month in the bank and at the store. In addition to having a commercial checking account, Mr. Larsen has borrowed money on and off since 2006. Mr. Larsen has had a \$50,000 line of credit since 2011 that he has used on occasion to pay his vendors until he built up his receipt balance. Based on his past history, Mr. Larsen pays off the line of credit within two to four weeks.

Sometime after Christmas in late December 2015, Mr. Larsen approached him about a \$50,000.00 loan to completely remodel his store. Mr. Larsen told John Grayson that he has new competition on Highway 5 from chain gas stations and needed additional funds to modernize his store and make it more appealing to customers.

Mr. Larsen provided his 2013 and 2014 IRS Schedules C and monthly Georgia Sales and Use Tax forms for the last twelve months to verify the store's gross receipts and net income. Based on the long-term relationship with Greg Larsen, WB lent him \$49,000.00 so Ramey Construction could start construction in January.

When asked, John Grayson said that he was not aware when he approved the loan that Greg Larsen was having cash flow problems. Also, Mr. Grayson stated that he had not been in the store since Thanksgiving and was not aware of low inventory.

John Grayson added that WB lost no money on the loan. It filed a Financing Statement with Cherokee County to protect its interest in the inventory and leasehold improvement. Although it was a second lien, WB received full repayment of principal and interest from the insurance company.

Reset Form

Print Form

<b>CREDIT APPLICATION</b>							
<b>IMPORTANT APPLICANT INFORMATION:</b> Federal law requires financial institutions to obtain sufficient information to verify your identity. You may be asked several questions and to provide one or more forms of identification to fulfill this requirement. In some instances we may use outside sources to confirm the information. The information you provide is protected by our privacy policy and federal law.							
<b>TYPE OF CREDIT REQUESTED</b> IMPORTANT: Check (✓) the appropriate boxes below and complete the applicable sections. <input checked="" type="checkbox"/> SECURED <input type="checkbox"/> INDIVIDUAL CREDIT - relying solely on my income or assets <input type="checkbox"/> UNSECURED <input type="checkbox"/> INDIVIDUAL CREDIT - relying on my income or assets as well as income or assets from other sources <input type="checkbox"/> JOINT CREDIT - We intend to apply for joint credit. (initials)						<b>FOR CREDITOR USE</b> DATE _____ CLASS NO. _____ ACCOUNT NO. _____ APPROVED <input type="checkbox"/> BY _____ DECLINED <input type="checkbox"/> BY _____	
AMOUNT REQUESTED \$ 49000	FOR HOW LONG 50 months	PAYMENT DATE DESIRED 12/29/16	WANT TO REPAY <input checked="" type="checkbox"/> MONTHLY <input type="checkbox"/> 1,000	PROCEEDS OF LOAN TO BE USED FOR: to complete remodeling of the store			
SECTION A - INDIVIDUAL APPLICANT INFORMATION							
NAME (Last, First, Middle) Gregory H. Larsen							
BIRTHDATE 9/27/75	TELEPHONE NO. 770-735-9876	DRIVER'S LICENSE NO. 042771589	SOCIAL SECURITY NO.	NO. DEPENDENTS	AGES OF DEPENDENTS 4 1/2 yrs		
ADDRESS (Street, City, State & Zip) 213 Underwood Street, Canton, GA 30115				COUNTY Cherokee	Do you <input checked="" type="checkbox"/> own or <input type="checkbox"/> rent?		HOW LONG
PREVIOUS ADDRESS (Street, City, State & Zip) (Complete if less than 3 years at present address)				COUNTY	Did you <input type="checkbox"/> own or <input type="checkbox"/> rent?		HOW LONG
EMPLOYER (Company Name & Address) Self - Larsen Convenience Store							
BUSINESS PHONE 770-735-2784	Ext.	POSITION OR TITLE Owner	SALARY PER MONTH GROSS: \$ 1,378,216    NET: \$ 64,486		HOW LONG		
PREVIOUS EMPLOYER (Company Name & Address)							
NAME AND ADDRESS OF NEAREST RELATIVE NOT LIVING WITH YOU Jolene Larsen Cooper, 987 Gennett Drive, Jasper, GA 30143				RELATIONSHIP Sister	TELEPHONE NO. (Include Area Code) 706-253-9961		
Alimony, child support, or separate maintenance income need not be revealed if you do not wish to have it considered as a basis for repaying this obligation.							
Alimony, child support, separate maintenance received under: <input type="checkbox"/> Court Order <input type="checkbox"/> Written Agreement <input type="checkbox"/> Oral Understanding							
SOURCES OF OTHER INCOME						AMOUNT PER MONTH \$	
Is any income listed in this Section likely to be reduced before the credit request is paid off?						Have you previously received credit from us?	
<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Explain)						<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes - When? 2011	
SECTION B - JOINT APPLICANT OR OTHER PARTY INFORMATION							
Complete only if: for joint credit, for individual credit relying on income or assets from other sources, or applicant is married and resides in a community property state.							
NAME (Last, First, Middle)							
BIRTHDATE	TELEPHONE NO.	DRIVER'S LICENSE NO.	SOCIAL SECURITY NO.	NO. DEPENDENTS	AGES OF DEPENDENTS		
RELATIONSHIP TO APPLICANT (if Any)	PRESENT ADDRESS (Street, City, State & Zip)						HOW LONG
EMPLOYER (Company Name & Address)							
BUSINESS PHONE	Ext.	POSITION OR TITLE	SALARY PER MONTH GROSS: \$    NET: \$		HOW LONG		
PREVIOUS EMPLOYER (Company Name & Address)							
Alimony, child support, or separate maintenance income need not be revealed if you do not wish to have it considered as a basis for repaying this obligation.							
Alimony, child support, separate maintenance received under: <input type="checkbox"/> Court Order <input type="checkbox"/> Written Agreement <input type="checkbox"/> Oral Understanding							
SOURCES OF OTHER INCOME						AMOUNT PER MONTH \$	
Is any income listed in this Section likely to be reduced before the credit requested is paid off?						Has Joint Applicant or Other Party ever received credit from us?	
<input type="checkbox"/> No <input type="checkbox"/> Yes (Explain)						<input type="checkbox"/> No <input type="checkbox"/> Yes - When?	
SECTION C - MARITAL STATUS							
Complete only if: for joint or secured credit, or applicant resides in a community property state or is relying on property located in such a state as a basis for repayment of the credit requested.							
APPLICANT	<input checked="" type="checkbox"/> Married		<input type="checkbox"/> Separated		<input type="checkbox"/> Unmarried (including single, divorced, and widowed)		
OTHER PARTY	<input type="checkbox"/> Married		<input type="checkbox"/> Separated		<input type="checkbox"/> Unmarried (including single, divorced, and widowed)		

SECTION D - ASSET & DEBT INFORMATION					
If Section B has been completed, this Section should be completed giving information about both the Applicant and Joint Applicant or Other Person. Please mark Applicant-related information with an "A". If Section B was not completed, only give information about the Applicant in this Section.					
<b>ASSETS OWNED</b> (Use separate sheet if necessary.)					
DESCRIPTION OF ASSETS	NAME IN WHICH THE ACCOUNT IS CARRIED	SUBJECT TO DEBT?	VALUE		
CHECKING ACCOUNT NUMBER(S) (where) Harrelson Bank	Gregory H. Larsen	N/A	\$ 689		
SAVINGS ACCOUNT NUMBER(S) (where) Harrelson Bank	Gregory H. Larsen	N/A	53		
CERTIFICATE OF DEPOSIT(S) (where)					
MARKETABLE SECURITIES (issuer, type, no. of shares)					
REAL ESTATE (location, date acquired) 213 Underwood Street, Canton, GA 7/14/2011	Greg and Tonya Larsen	Mortgage	267,800		
LIFE INSURANCE (issuer, face value)					
AUTOMOBILES 2014 Ford F-150 Crew Cab	Gregory H. Larsen	Auto Loan	21,777		
OTHER Inventory and leasehold improvements	Gregory H. Larsen	S&B Trust Co.	299,925		
TOTAL ASSETS			\$ 590,244		
<b>OUTSTANDING DEBTS</b> (Including charge accounts, installment contracts, credit cards, rent, mortgages and other obligations. Use separate sheet if necessary.)					
CREDITOR	ACCOUNT NUMBER	NAME IN WHICH THE ACCOUNT IS CARRIED	ORIGINAL AMOUNT	PRESENT BALANCE	MONTHLY PAYMENTS
LANDLORD OR MORTGAGE HOLDER Appalachian Mortgage	<input type="checkbox"/> Rent Payment <input checked="" type="checkbox"/> Mortgage	Greg and Tonya Larsen	(OMIT RENT) \$ 300,000	(OMIT RENT) \$ 222,500	\$ 1,393
AUTOMOBILES SE Ford Financing (describe) 2014 Ford F-150 Crew Cab	SEF 1119853769	Gregory H. Larsen	19,187	17,284	599.89
S&B Trust Company - inventory & leasehold improvements	987-23567	Gregory H. Larsen	75,000	41,125	573.74
Georgia Dept. of Revenue - sales and use taxes		Gregory H. Larsen	7,987	7,987	Varies
A/P - regular vendors	Various	Gregory H. Larsen	N/A	95,915	95,915
TOTAL DEBTS			\$	\$ 384,811	\$ 98,482
Complete the following information about both the Applicant and Joint Applicant or Other Person (if applicable):					
Are you obligated to make Alimony, Support or Maintenance Payments? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes					
If yes, to (Name & Address) _____ Amt. per month \$ _____					
Are you a co-maker, endorser, or guarantor on any loan or contract? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. If yes, for whom? _____ to whom? _____					
Are there any unsatisfied judgments against you? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. If yes, to whom owed? _____ Amount \$ _____					
Have you been declared bankrupt in the last 10 years? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. If yes, where? _____ Year? _____					
<b>SECTION E - SECURED CREDIT</b> Complete only if credit is to be secured. Briefly describe the property to be given as security:					
PROPERTY DESCRIPTION Leasehold Improvements at Larsen Convenience Store, Hwy. 5 North, Canton, GA 30115					
NAMES & ADDRESSES OF ALL CO-OWNERS OF THE PROPERTY N/A - rented					
IF THE SECURITY IS REAL ESTATE, GIVE THE FULL NAME OF YOUR SPOUSE (if any). N/A					

**SIGNATURES** I certify that everything I have stated in this application and on any attachments is correct. Lender may keep this application whether or not it is approved. By signing below I authorize Lender to check my credit and employment history and to answer questions others may ask Lender about my credit record with Lender. I understand that I must update credit information at Lender's request if my financial condition changes.

Applicant's Signature \_\_\_\_\_ Date \_\_\_\_\_ Other Signature (Where Applicable) \_\_\_\_\_ Date \_\_\_\_\_  
 Expens © 1996 Bankers Systems, Inc., St. Cloud, MN Form UCA 6/30/2003 (page 2 of 2)

**Waleska Bank**  
 Waleska, GA 30183  
 www.waleskabank.com

FROM 12/1/15 TO 12/31/15  
 Account 7011176

**Gregory Larsen**  
 213 Underwood Street  
 Canton, GA 30115

\*\*\*\*\* WALESKA BANK CHECKING - SUMMARY \*\*\*\*\*

Balance as of November 30, 2015		\$	19,423.97
Total Deposits and Credits:	9	+	152,883.45
Total Checks and Debits:	25	-	171,389.79
Service Charges:	1	-	50.00
Interest Earned:	0	+	-
Ending Balance as of December 31, 2015		\$	<u>867.63</u>

\*\*\*\*\* CHECKS \*\*\*\*\*

Date	Number	Amount	Date	Number	Amount
12/1	2843	2,876.00	12/22	2856	13,700.07
12/1	2844	13,511.59	12/22	2857	1,041.80
12/1	2845	1,028.80	12/22	2858	1,824.97
12/1	2846	1,824.60	12/22	2859	25,000.00
12/8	2847	2,878.00	12/29	2860	2,899.00
12/8	2848	13,211.21	12/29	2861	13,422.60
12/8	2849	1,031.06	12/29	2862	1,000.32
12/8	2850	1,826.60	12/29	2863	1,821.59
12/15	2851	2,870.00	12/29	2864	1,532.98
12/15	2852	13,418.60	12/30	2865	11,959.00
12/15	2853	1,026.80	12/30	2866	1,041.00
12/15	2854	1,822.20	12/30	2867	36,000.00
12/22	2855	2,821.00			

\*\*\*\*\* OTHER DEBITS \*\*\*\*\*

12/31	50.00	BUSINESS ACCOUNT SERVICE FEE
-------	-------	------------------------------

\*\*\*\*\* DEPOSITS \*\*\*\*\*

Date	Amount	Description
12/4	14,610.38	DDR REGULAR DEPOSIT
12/7	15,198.20	DDR REGULAR DEPOSIT
12/11	13,983.10	DDR REGULAR DEPOSIT
12/14	15,435.99	DDR REGULAR DEPOSIT
12/18	13,561.19	DDR REGULAR DEPOSIT
12/21	15,671.65	DDR REGULAR DEPOSIT
12/26	13,661.87	DDR REGULAR DEPOSIT
12/28	49,000.00	DDR OFFICIAL CHECK

FDIC

**Waleska Bank**  
Waleska, GA 30183  
www.waleskabank.com

FROM 12/1/15 TO 12/31/15  
Account 7011176

**Gregory Larsen**  
213 Underwood Street  
Canton, GA 30115

12/29 14,761.07 DDR REGULAR DEPOSIT

\*\*\*\*\* DAILY BALANCE \*\*\*\*\*

Date	Balance	Date	Balance	Date	Balance
12/1	182.98	12/11	25,027.79	12/23	6,171.16
12/2	182.98	12/14	40,463.78	12/24	6,171.16
12/3	182.98	12/15	21,326.18	12/26	19,833.03
12/4	14,793.36	12/16	21,326.18	12/27	68,833.03
12/7	29,991.56	12/17	21,326.18	12/28	55,833.03
12/8	11,044.69	12/18	34,887.37	12/29	49,917.61
12/9	11,044.69	12/21	50,559.00	12/30	917.61
12/10	11,044.69	12/22	6,171.16	12/31	867.61

\*\*\*\*\* OVERDRAFT AND RETURN ITEM FEES \*\*\*\*\*

FDIC

**OFFICIAL CHECKS - ACCOUNT 7000000 - LOAN NO. 15-3989**

64-575/613	<b>7097</b>
<b>OFFICIAL CHECK</b>	
WALESKA BANK, Waleska, GA	
DATE	<u>12/28/2015</u>
PAY TO THE ORDER OF	<u>Gregory Larsen</u>
	\$49,000.00
	<u>Forty-nine thousand and 00/100</u> Dollars
<b>WALESKA BANK</b> Waleska, GA 30183	
FOR <u>Loan #16-3989</u>	<u>Jason K. Robards</u>
:061110575	:007000000 7097 :0004900000

64-575/613	<b>7098</b>
<b>OFFICIAL CHECK</b>	
WALESKA BANK, Waleska, GA	
DATE	<u>12/28/2015</u>
PAY TO THE ORDER OF	<u>Southern Appalachian Insurance Company</u>
	\$1,045.80
	<u>One thousand forty-five and 80/100</u> Dollars
<b>WALESKA BANK</b> Waleska, GA 30183	
FOR <u>Loan #16-3989 / insurance</u>	<u>Jason K. Robards</u>
:061110575	:007000000 7098 :0000104580

64-575/613	<b>7099</b>
<b>OFFICIAL CHECK</b>	
WALESKA BANK, Waleska, GA	
DATE	<u>12/28/2015</u>
PAY TO THE ORDER OF	<u>Waleska Bank</u>
	\$500.00
	<u>Five hundred and 00/100</u> Dollars
<b>WALESKA BANK</b> Waleska, GA 30183	
FOR <u>Loan #16-3989 / loan fee</u>	<u>Jason K. Robards</u>
:061110575	:007000000 7099 :0000050000

64-575/613	<b>8000</b>
<b>OFFICIAL CHECK</b>	
WALESKA BANK, Waleska, GA	
DATE	<u>12/28/2015</u>
PAY TO THE ORDER OF	<u>Cherokee County Tax Commissioner</u>
	\$430.07
	<u>Four hundred thirty and 07/100</u> Dollars
<b>WALESKA BANK</b> Waleska, GA 30183	
FOR <u>Loan #16-3989 / ad valorem tax</u>	<u>Jason K. Robards</u>
:061110575	:007000000 8000 :0000043007

OFFICIAL CHECKS - ACCOUNT 7000000 - LOAN NO. 16-3989

**For Deposit Only**  
**Waleska Bank**

*Do Not Write Below This Line*

Dec 1228 - 35530015

Waleska Bank

*Gregory Larsen*

*Do Not Write Below This Line*

Dec 1228 - 3227319

Waleska Bank

For Deposit Only  
Cherokee County Tax  
Commissioner

*Do Not Write Below This Line*

Bank of Cherokee  
Dec 1229 - 8945631

Dec 1230- 359980

Waleska Bank

**For Deposit Only**  
**Southern Appalachian**  
**Insurance Company**

*Do Not Write Below This Line*

Cherokee County C.U.  
Dec 1229 - 8945631

Dec 1229 - 3421819

Waleska Bank



CHECKS - ACCOUNT 7011176

For Deposit Only  
Marietta Beverage Company

Do Not Write Below This Line

Dec 1229 - 37344581

Waleska Bank

For Deposit Only  
Shamrock Grocery

Do Not Write Below This Line

Dec 12291 - 3670001

Waleska Bank

For Deposit Only  
Discount Tobacco Company

Do Not Write Below This Line

Dec 12291 - 3670101

Waleska Bank

For Deposit Only  
Discount Tobacco Company

Do Not Write Below This Line

Dec 12291 - 3770001

Waleska Bank

For Deposit Only  
Georgia-Tennessee Fuel  
Partners

Do Not Write Below This Line

De3 1231 - 3670001

Waleska Bank

**For Deposit Only  
Tumbler Casino**

Do Not Write Below This Line

Dec 1229 - 3671112

Bank of Ely  
**Bank of Lawrenceville**

		64-575/613	<b>2864</b>
Gregory H. Larsen DBA Larsen Convenience Store, Canton, GA		DATE	12/29/2015
PAY TO THE ORDER OF	Internal Revenue Service	\$1,532.98	
	One thousand five hundred thirty-two & 98/100 Dollars		
<b>WALESKA BANK</b> Waleska, GA 30183			
FOR	<i>Gregory H. Larsen</i>		
:061110575	:007011176	2864	: 0000153298

		64-575/613	<b>2865</b>
Gregory H. Larsen DBA Larsen Convenience Store, Canton, GA		DATE	12/29/2015
PAY TO THE ORDER OF	Shane Wholesale Grocery	\$11,959.00	
	One hundred twenty-seven and -----00/100 Dollars		
<b>WALESKA BANK</b> Waleska, GA 30183			
FOR	FOR <u>payment on account</u> <i>Gregory H. Larsen</i>		
:061110575	:007011176	2865	: 0001195900

		64-575/613	<b>2866</b>
Gregory H. Larsen DBA Larsen Convenience Store, Canton, GA		DATE	12/29/2015
PAY TO THE ORDER OF	Ramey Construction	\$1,041.00	
	One thousand five hundred thirty-two and -- 98/100 Dollars		
<b>WALESKA BANK</b> Waleska, GA 30183			
FOR	FOR <u>payment on account</u> <i>Gregory H. Larsen</i>		
:061110575	:007011176	2866	: 0000104100

		64-575/613	<b>2867</b>
Gregory H. Larsen DBA Larsen Convenience Store, Canton, GA		DATE	12/29/2015
PAY TO THE ORDER OF	Andersen Internal Medicine	\$36,000.00	
	Thirty-six thousand and ----- no/100 Dollars		
<b>WALESKA BANK</b> Waleska, GA 30183			
FOR	FOR <u>payment on account</u> <i>Gregory H. Larsen</i>		
:061110575	:007011176	2867	: 0003600000

*For Deposit Only*  
*Ramey Construction*

Do Not Write Below This Line

De3 12931 - 3799001

Waleska Bank

**For Deposit Only**  
**U. S. Department of the**  
**Treasury**

Do Not Write Below This Line

Dec 1229 - 378379051

Waleska Bank

For Deposit Only  
Andersen Internal Medicine

Do Not Write Below This Line

Bankof Lawrenceville

Dec 1229 - 3812581

Waleska Bank

For Deposit Only  
Shane Wholesale Grocery

Do Not Write Below This Line

Dec 1229 - 37944581

Waleska Bank

AO 88B (Rev. 02/14) Subpoena to Produce Documents, Information, or Objects or to Permit Inspection of Premises in a Civil Action

UNITED STATES DISTRICT COURT  
for the



\_\_\_\_\_)  
*Plaintiff*)  
v.) Civil Action No.  
\_\_\_\_\_)  
*Defendant*)

**SUBPOENA TO PRODUCE DOCUMENTS, INFORMATION, OR OBJECTS  
OR TO PERMIT INSPECTION OF PREMISES IN A CIVIL ACTION**

To:

\_\_\_\_\_  
*(Name of person to whom this subpoena is directed)*

**Production:** YOU ARE COMMANDED to produce at the time, date, and place set forth below the following documents, electronically stored information, or objects, and to permit inspection, copying, testing, or sampling of the material:

Place:	Date and Time:
--------	----------------

**Inspection of Premises:** YOU ARE COMMANDED to permit entry onto the designated premises, land, or other property possessed or controlled by you at the time, date, and location set forth below, so that the requesting party may inspect, measure, survey, photograph, test, or sample the property or any designated object or operation on it.

Place:	Date and Time:
--------	----------------

The following provisions of Fed. R. Civ. P. 45 are attached – Rule 45(c), relating to the place of compliance; Rule 45(d), relating to your protection as a person subject to a subpoena; and Rule 45(e) and (g), relating to your duty to respond to this subpoena and the potential consequences of not doing so.

Date: \_\_\_\_\_

CLERK OF COURT

OR

\_\_\_\_\_  
*Signature of Clerk or Deputy Clerk*

\_\_\_\_\_  
*Attorney's signature*

The name, address, e-mail address, and telephone number of the attorney representing *(name of party)* \_\_\_\_\_, who issues or requests this subpoena, are:

**Notice to the person who issues or requests this subpoena**

If this subpoena commands the production of documents, electronically stored information, or tangible things or the inspection of premises before trial, a notice and a copy of the subpoena must be served on each party in this case before it is served on the person to whom it is directed. Fed. R. Civ. P. 45(a)(4).

Civil Action No. \_\_\_\_\_

**PROOF OF SERVICE**

*(This section should not be filed with the court unless required by Fed. R. Civ. P. 45.)*

I received this subpoena for *(name of individual and title, if any)* \_\_\_\_\_  
on *(date)* \_\_\_\_\_.

I served the subpoena by delivering a copy to the named person as follows: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_; or

I returned the subpoena unexecuted because: \_\_\_\_\_  
\_\_\_\_\_.

Unless the subpoena was issued on behalf of the United States, or one of its officers or agents, I have also  
tendered to the witness the fees for one day's attendance, and the mileage allowed by law, in the amount of  
\$ \_\_\_\_\_.

My fees are \$ \_\_\_\_\_ for travel and \$ \_\_\_\_\_ for services, for a total of \$ \_\_\_\_\_ 0.00 \_\_\_\_\_.

I declare under penalty of perjury that this information is true.

Date: \_\_\_\_\_  
\_\_\_\_\_ *Server's signature*

\_\_\_\_\_ *Printed name and title*

\_\_\_\_\_ *Server's address*

Additional information regarding attempted service, etc.:

AO 89B (07/16) Subpoena to Produce Documents, Information, or Objects in a Criminal Case

UNITED STATES DISTRICT COURT

for the

United States of America )

v. )

Case No. )

Defendant )

SUBPOENA TO PRODUCE DOCUMENTS, INFORMATION, OR OBJECTS IN A CRIMINAL CASE

To:

(Name of person to whom this subpoena is directed)

YOU ARE COMMANDED to produce at the time, date, and place set forth below the following books, papers, documents, data, or other objects:

Place: Date and Time:

Certain provisions of Fed. R. Crim. P. 17 are attached, including Rule 17(c)(2), relating to your ability to file a motion to quash or modify the subpoena; Rule 17(d) and (e), which govern service of subpoenas; and Rule 17(g), relating to your duty to respond to this subpoena and the potential consequences of not doing so.

(SEAL)

Date:

CLERK OF COURT

Signature of Clerk or Deputy Clerk

The name, address, e-mail, and telephone number of the attorney representing (name of party), who requests this subpoena, are:

Notice to those who use this form to request a subpoena

Before requesting and serving a subpoena pursuant to Fed. R. Crim. P. 17(c), the party seeking the subpoena is advised to consult the rules of practice of the court in which the criminal proceeding is pending to determine whether any local rules or orders establish requirements in connection with the issuance of such a subpoena. If no local rules or orders govern practice under Rule 17(c), counsel should ask the assigned judge whether the court regulates practice under Rule 17(c) to 1) require prior judicial approval for the issuance of the subpoena, either on notice or ex parte; 2) specify where the documents must be returned (e.g., to the court clerk, the chambers of the assigned judge, or counsel's office); and 3) require that counsel who receives produced documents provide them to opposing counsel absent a disclosure obligation under Fed. R. Crim. P. 16.

Please note that Rule 17(c) (attached) provides that a subpoena for the production of certain information about a victim may not be issued unless first approved by separate court order.

Case No. \_\_\_\_\_

**PROOF OF SERVICE**

This subpoena for *(name of individual and title, if any)* \_\_\_\_\_  
was received by me on *(date)* \_\_\_\_\_.

I served the subpoena by delivering a copy to the named person as follows: \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_; or

I returned the subpoena unexecuted because: \_\_\_\_\_  
\_\_\_\_\_.

Unless the subpoena was issued on behalf of the United States, or one of its officers or agents, I have also  
tendered to the witness fees for one day's attendance, and the mileage allowed by law, in the amount of  
\$ \_\_\_\_\_.

My fees are \$ \_\_\_\_\_ for travel and \$ \_\_\_\_\_ for services, for a total of \$ 0.00.

I declare under penalty of perjury that this information is true.

Date: \_\_\_\_\_ \_\_\_\_\_  
*Server's signature*

\_\_\_\_\_  
*Printed name and title*

\_\_\_\_\_  
*Server's address*

Additional information regarding attempted service, etc.:

AO 110 (Rev. 06/09) Subpoena to Testify Before a Grand Jury

---

UNITED STATES DISTRICT COURT  
for the



**SUBPOENA TO TESTIFY BEFORE A GRAND JURY**

To:

**YOU ARE COMMANDED** to appear in this United States district court at the time, date, and place shown below to testify before the court's grand jury. When you arrive, you must remain at the court until the judge or a court officer allows you to leave.

Place:	Date and Time:
--------	----------------

You must also bring with you the following documents, electronically stored information, or objects (*blank if not applicable*):

Date: \_\_\_\_\_

CLERK OF COURT

\_\_\_\_\_  
*Signature of Clerk or Deputy Clerk*

---

The name, address, e-mail, and telephone number of the United States attorney, or assistant United States attorney, who requests this subpoena, are:

---

**PROOF OF SERVICE**

This subpoena for *(name of individual or organization)* \_\_\_\_\_  
was received by me on *(date)* \_\_\_\_\_.

I served the subpoena by delivering a copy to the named person as follows: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I returned the subpoena unexecuted because: \_\_\_\_\_  
\_\_\_\_\_.

I declare under penalty of perjury that this information is true.

Date: \_\_\_\_\_

\_\_\_\_\_  
*Server's signature*

\_\_\_\_\_  
*Printed name and title*

\_\_\_\_\_  
*Server's address*

Additional information regarding attempted service, etc:

Print

Save As...

Add Attachment

Reset

AO 90 (Rev. 08/09) Subpoena to Testify at a Deposition in a Criminal Case

UNITED STATES DISTRICT COURT

for the



United States of America )  
 v. )  
 \_\_\_\_\_ )  
*Defendant* )

Case No.

**SUBPOENA TO TESTIFY AT A DEPOSITION IN A CRIMINAL CASE**

To:

**YOU ARE COMMANDED** to appear at the time, date, and place set out below to testify at a deposition in a criminal case. If you are an organization that is *not* a party in this case, you must designate one or more officers, directors, or managing agents, or designate other persons who consent to testify on your behalf about the following matters, or those set out in an attachment:

Place:	Date and Time:
--------	----------------

You must also bring with you to this deposition the following documents, electronically stored information, or objects (*blank if not applicable*):

(SEAL)

Date: \_\_\_\_\_

CLERK OF COURT

\_\_\_\_\_  
*Signature of Clerk or Deputy Clerk*

This subpoena has been issued on application of an attorney whose name, address, e-mail and telephone number are:

Case No. \_\_\_\_\_

**PROOF OF SERVICE**

This subpoena for *(name of individual and title, if any)* \_\_\_\_\_  
was received by me on *(date)* \_\_\_\_\_.

I served the subpoena by delivering a copy to the named person as follows: \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_; or

I returned the subpoena unexecuted because: \_\_\_\_\_  
\_\_\_\_\_.

Unless the subpoena was issued on behalf of the United States, or one of its officers or agents, I have also  
tendered to the witness fees for one day's attendance, and the mileage allowed by law, in the amount of  
\$ \_\_\_\_\_.

My fees are \$ \_\_\_\_\_ for travel and \$ \_\_\_\_\_ for services, for a total of \$ 0.00.

I declare under penalty of perjury that this information is true.

Date: \_\_\_\_\_  
\_\_\_\_\_ *Server's signature*

\_\_\_\_\_ *Printed name and title*

\_\_\_\_\_ *Server's address*

Additional information regarding attempted service, etc:

Print

Save As...

Add Attachment

Reset

AO 89 (Rev. 08/09) Subpoena to Testify at a Hearing or Trial in a Criminal Case

UNITED STATES DISTRICT COURT

for the



United States of America )  
 v. )  
 )  
 \_\_\_\_\_ )  
*Defendant* )

Case No.

**SUBPOENA TO TESTIFY AT A HEARING OR TRIAL IN A CRIMINAL CASE**

To:

**YOU ARE COMMANDED** to appear in the United States district court at the time, date, and place shown below to testify in this criminal case. When you arrive, you must remain at the court until the judge or a court officer allows you to leave.

Place of Appearance:	Courtroom No.:
	Date and Time:

You must also bring with you the following documents, electronically stored information, or objects (*blank if not applicable*):

(SEAL)

Date: \_\_\_\_\_

CLERK OF COURT

\_\_\_\_\_  
*Signature of Clerk or Deputy Clerk*

The name, address, e-mail, and telephone number of the attorney representing (*name of party*) \_\_\_\_\_, who requests this subpoena, are:

Case No. \_\_\_\_\_

**PROOF OF SERVICE**

This subpoena for *(name of individual and title, if any)* \_\_\_\_\_  
was received by me on *(date)* \_\_\_\_\_.

I served the subpoena by delivering a copy to the named person as follows: \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_; or

I returned the subpoena unexecuted because: \_\_\_\_\_

Unless the subpoena was issued on behalf of the United States, or one of its officers or agents, I have also  
tendered to the witness fees for one day's attendance, and the mileage allowed by law, in the amount of  
\$ \_\_\_\_\_.

My fees are \$ \_\_\_\_\_ for travel and \$ \_\_\_\_\_ for services, for a total of \$ 0.00.

I declare under penalty of perjury that this information is true.

Date: \_\_\_\_\_

\_\_\_\_\_  
*Server's signature*

\_\_\_\_\_  
*Printed name and title*

\_\_\_\_\_  
*Server's address*

Additional information regarding attempted service, etc:

Print

Save As...

Add Attachment

Reset

# About the Website

This book includes a student companion website, which can be found at [www.wiley.com/go/fraudexamcases](http://www.wiley.com/go/fraudexamcases). Enter the password: beecken234. This website includes the following Excel templates and Excel document files:

203-Tonya Edits Template

Anderson Bank Transactions (Sep Oct Nov Dec Jan Feb)

Check Debit Card Larceny Case, Exercise #1 Template

Check Debit Card Larceny Case, Exercise #2 Template

Financial Statement Fraud, Exercise #1 Template

Financial Statement Fraud, Exercise #2 Template

# About the Authors

**William H. Beecken** teaches fraud examination courses at Brenau University, Gainesville, Georgia, and taught fraud examination at Southern Polytechnic State University (SPSU) before it merged with Kennesaw State University. The final examination at SPSU required students to write a fraud examination course, prepare trial ready schedules and audio-visuals, and then provide expert testimony before a real prosecutor and defense attorney in a court of law using the materials contained in this casebook. In addition, he mentored his SPSU students while they interned with the Cobb County District Attorney's Office, Marietta, Georgia.

Bill is a Certified Fraud Examiner (CFE) and Certified Public Accountant (CPA). He has a B.A. from Sewanee: The University of the South and M.B.A. (Accounting Concentration) from Brenau University. Bill currently serves as the Director, Fraud Services, for Assurance Forensic Accounting (where he specializes in employee dishonesty, inventory theft, fraud, and divorce cases). A retired federal employee, he previously worked as an FDIC supervisory auditor and supervisory investigator, ATF senior forensic auditor, and SEC accountant/investigator. During his 27-year federal career he trained seven times at the Federal Law Enforcement Training Center. His most notable cases were a 2,309 handgun racketeering case; 63-count arson-for-profit, check kiting, bank-mail-wire fraud case; a \$1.25 million contract fraud investigation of a Big 4 CPA firm, a Ponzi scheme, and a securities-check kiting scheme. He has testified over 25 times as a witness in federal and state court on financial motive analysis; bank, bankruptcy, mail, and wire fraud; check kiting; money laundering; tax evasion; racketeering; trust fraud; divorce-related finances; employee dishonesty; and taxes.

Bill is an occasional lecturer on fraud topics. He taught *Testifying as an Expert Witness* to Georgia Tech internal auditors and a series on *Loan Fraud, Check Fraud, and Check Kiting* for the Community Bankers Association of Georgia. In addition, ACFE and the International Association of Arson Investigators have published several of his fraud articles.

**Clark A. Beecken** is a Certified Fraud Examiner. Clark graduated from Southern Polytechnic State University with a B.S. in Business Administration (Accounting Track). He gained fraud examination and forensic accounting experience with a federal agency, Georgia Tech Department of Internal Auditing, Special Review Unit, Legal Services Corporation, Office of Inspector General, and forensic accounting firms. Additionally, he received extensive criminal investigative training and experience while interning with the Federal Law Enforcement Training Center and the U.S. Department of State, Bureau of Diplomatic Security. Clark currently serves with a federal agency. He has twice testified in court as an expert witness in forensic accounting. In addition, Clark mentored SPSU interns with Georgia Tech and the Cobb County District Attorney's Office, Marietta, Georgia, and lectured on Digital Forensics and using IDEA Data Extraction and Analysis (Data Analytics).

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