

**TOWN OF ASHBY, MASSACHUSETTS**

Management Letter

For the Year Ended June 30, 2016

TABLE OF CONTENTS

	<u>PAGE</u>
<b>INTRODUCTORY LETTER</b>	1
<b>CURRENT YEAR ISSUE</b>	
1. Reconcile Trust Fund Balances	3

**Additional Offices:**

Nashua, NH  
Manchester, NH  
Andover, MA  
Ellsworth, ME

To the Board of Selectmen  
Town of Ashby, Massachusetts

In planning and performing our audit of the basic financial statements of the Town of Ashby, Massachusetts as of and for the year ended June 30, 2016, in accordance with auditing standards generally accepted in the United States of America, we considered the Town's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over financial reporting.

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

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

During our audit, we became aware of other matters that we believe represent opportunities for strengthening internal controls and operating efficiency. The recommendations that accompany this letter summarize our comments and suggestions concerning those matters.

The Town's written responses to our comments and suggestions have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

This communication is intended solely for the information and use of management, the Board of Selectmen and others within the Town, and is not intended to be, and should not be, used by anyone other than these specified parties.

*Melanson Heath*

August 8, 2017

## **CURRENT YEAR ISSUE**

### 1. **RECONCILE TRUST FUND BALANCES**

At June 30, 2016, total Treasurer's cash agreed to the general ledger however, the Treasurer's individual trust fund balances was at variance with the Town's general ledger by approximately \$19,300.

We recommend the Treasurer and Town Accountant reconcile trust fund balances with the general ledger on at least a quarterly basis.

#### Town's Response:

The Treasurer will make the proper transfers to resolve the variance to the general ledger. Going forward the Treasurer and Town Accountant will reconcile the individual trust fund balances quarterly to the general ledger.