



We assume responsibility for proper valuation and presentation and in doing so approve posting of the client, reclassifying, and adjusting journal entries to our trial balance for the year ended December 31, 2017. We believe the effects of the uncorrected financial statement misstatements as summarized as potential journal entries are immaterial, both individually and in the aggregate, to the financial statements taken as a whole and as such we have chosen not to post them to our trial balance at December 31, 2017.

We have reviewed and approved the schedules prepared for the summary of investments as disclosed in Note 6, Investments, and the schedule prepared to summarize investment activity for the statement of cash flows. We also approve the classification of fair values of financial assets based on the hierarchy reflecting the significance of inputs used in determining fair value measurements.

We have reviewed and approved Note 15, Endowments, and believe the note provides an accurate description of the governing board's interpretation of the law that underlies the Organization's net asset classification of donor-restricted endowment funds. We also believe the disclosure in Note 15, Endowments, adequately discloses information to enable users of financial statements to understand the net asset classification, net asset composition, changes in net asset composition, spending policy, and related investment policy of our endowment funds.

We have reviewed and approved Note 3, Going Concern, and believe the note provides an accurate description of management's assessment of going concern and its future plans to address the issue.

We have also read and made any necessary revisions to the draft of our financial statements and related disclosures and approve them for issuance.

APPROVED BY: (Print Name) Jonathan Avedovech

SIGNATURE: [Handwritten Signature]

TITLE: Chair - Board of Directors

DATE: 3/25/19

Client: **60044120 - Sight Connection**
 Engagement: **60044120 - Audit Binder**
 Period Ending: **12/31/2017**
 Trial Balance: **3005 - Trial Balances**
 Workpaper: **4005 - Client Journal Entries**

| Account | Description | W/P Ref | Debit | Credit |
|---|---------------------------------|---------------|------------------|------------------|
| Client Journal Entries JE # 1 | | 4112 | | |
| To adjust net asset classes to agree with beginning balances | | | | |
| 32000 | Net Assets - Unrestricted | | 1,723.00 | |
| 66000 | Miscellaneous Expenses | | 1,171.00 | |
| 32100 | Net Assets - Temporarily Restri | | | 2,894.00 |
| Total | | | 2,894.00 | 2,894.00 |
| Client Journal Entries JE # 4 | | 4111 | | |
| Client provided entry - To reclass prepaid expenses. | | | | |
| 13100 | Prepaid Expenses | | 6,124.08 | |
| 13190 | Other Prepaid Expenses | | | 6,124.08 |
| Total | | | 6,124.08 | 6,124.08 |
| Client Journal Entries JE # 14 | | E3 | | |
| To adjust A/R for uncollectible accounts. | | | | |
| 49000 | Clinic Fees | | 22,166.94 | |
| 60300 | Bad debt | | 2,841.05 | |
| 11000 | Accounts Receivable | | | 25,007.99 |
| Total | | | 25,007.99 | 25,007.99 |
| Client Journal Entries JE # 28 | | 4111.2 | | |
| To adjust accounts payable for beginning balance issues related to the set-up of QuickBooks | | | | |
| 20000 | Accounts Payable | | 8,944.04 | |
| 20000 | Accounts Payable | | 35,705.78 | |
| 24085 | 403(b) & FSA Deductions Payable | | | 476.52 |
| 25500 | Sales/B&O/Excise/Use Tax Payabl | | | 1,686.80 |
| 32000 | Net Assets - Unrestricted | | | 8,944.04 |
| 32000 | Net Assets - Unrestricted | | | 12,202.90 |
| 45999 | Store Sales Clearing | | | 65.71 |
| 50110 | Store Cost of Goods Sold | | | 2,996.50 |
| 60240 | Mileage Expense | | | 78.63 |
| 60620 | Merchant Fees | | | 1,720.88 |
| 60690 | Business Licenses & Fees | | | 171.32 |
| 60730 | Software | | | 2,000.00 |
| 61440 | Staff Event Expenses | | | 40.07 |
| 62510 | Office Supplies | | | 121.63 |
| 63100 | Postage | | | 664.24 |
| 63699 | Payroll Processing | | | 201.44 |
| 64560 | Hotels/Lodging | | | 20.51 |
| 79999 | Donation Center Expenses | | | 13,258.63 |
| Total | | | 44,649.82 | 44,649.82 |
| Client Journal Entries JE # 33 | | N3 | | |
| To adjust for the WA State DOR payment, made in 2017, originally accrued in 2016, but balance was not transferred | | | | |
| 32000 | Net Assets - Unrestricted | | 1,686.80 | |

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Client: **60044120 - Sight Connection**
 Engagement: **60044120 - Audit Binder**
 Period Ending: **12/31/2017**
 Trial Balance: **3005 - Trial Balances**
 Workpaper: **4005 - Client Journal Entries**

| <u>Account</u> | <u>Description</u> | <u>W/P Ref</u> | <u>Debit</u> | <u>Credit</u> |
|--|--------------------------------------|----------------|-------------------------|-------------------------|
| 25500 | Sales/B&O/Excise/Use Tax Paybl | | | 256.61 |
| 25500 | Sales/B&O/Excise/Use Tax Paybl | | | 1,290.91 |
| 80550 | Fines and Penalties | | | 139.28 |
| Total | | | <u>1,686.80</u> | <u>1,686.80</u> |
| Client Journal Entries JE # 36 | | 4120 | | |
| Client entry provided to adjust A/R balances to agree with QuickBooks. | | | | |
| 49020 | Less Insurance Discounts | | 2,871.51 | |
| 11000 | Accounts Receivable | | | 2,871.51 |
| Total | | | <u>2,871.51</u> | <u>2,871.51</u> |
| Client Journal Entries JE # 38 | | 4120 | | |
| To reconcile final trial balance variances between QuickBooks and audited TB | | | | |
| 20000 | Accounts Payable | | 1,399.17 | |
| 40110 | Contributions - General | | 1,980.00 | |
| 45010 | Sales - Adaptive Aids | | 958.78 | |
| 49000 | Clinic Fees | | 5,572.28 | |
| 50110 | Store Cost of Goods Sold | | 6,368.49 | |
| 61200 | Dues, Mmbshps, & Subscriptions | | 725.00 | |
| 61605 | Mileage Expense | | 1,203.71 | |
| 62120 | Dental Insurance | | 42.70 | |
| 62510 | Office Supplies | | 99.30 | |
| 65120 | Telephone & Internet | | 1,477.85 | |
| 66000 | Miscellaneous Expenses | | 613.98 | |
| 79999 | Donation Center Expenses | | 396.15 | |
| 11000 | Accounts Receivable | | | 716.41 |
| 11001 | Accounts Receivable (Accr. Interest) | | | 5.23 |
| 20500 | Umpqua Credit Card | | | 19,299.45 |
| 45999 | Store Sales Clearing | | | 54.00 |
| 60620 | Merchant Fees | | | 233.65 |
| 60690 | Business Licenses & Fees | | | 386.53 |
| 61430 | Staff Meeting Expenses | | | 20.51 |
| 63100 | Postage | | | 121.63 |
| Total | | | <u>20,837.41</u> | <u>20,837.41</u> |

Client: **60044120 - Sight Connection**
 Engagement: **60044120 - Audit Binder**
 Period Ending: **12/31/2017**
 Trial Balance: **3005 - Trial Balances**
 Workpaper: **4010 - Adjusting Journal Entries**

| Account | Description | W/P Ref | Debit | Credit |
|---|---------------------------------|-------------|------------------|------------------|
| Adjusting Journal Entries JE # 6 | | X1.2 | | |
| To adjust temporarily restricted net assets. | | | | |
| 32100 | Net Assets - Temporarily Restri | | 27,000.00 | |
| 40130 | Private Foundations & Trusts | | | 27,000.00 |
| Total | | | 27,000.00 | 27,000.00 |
| Adjusting Journal Entries JE # 7 | | X1.2 | | |
| To record unconditional promise to give temporarily restricted for 2018. | | | | |
| 11000 | Accounts Receivable | | 5,000.00 | |
| 4600.07 | Temporarily Restricted Grant | | | 5,000.00 |
| Total | | | 5,000.00 | 5,000.00 |
| Adjusting Journal Entries JE # 8 | | X1.2 | | |
| To record donation of in-kind equipment and to capitalize material donation. | | | | |
| 15010 | Furniture & Fixtures | | 10,000.00 | |
| 80600 | In-kind Donation Expense | | 2,130.10 | |
| 40120 | Donations-In-Kind (Non-Cash) | | | 12,130.10 |
| Total | | | 12,130.10 | 12,130.10 |
| Adjusting Journal Entries JE # 9 | | N2 | | |
| To accrue 2017 Q4 unemployment benefits expense and related savers receivable. Note for client: Do not debit acct | | | | |
| 11000 | Accounts Receivable | | 23,305.00 | |
| 5121.00 | Unemployment Comp. (UMSD) | | 23,305.00 | |
| 20000 | Accounts Payable | | | 23,305.00 |
| 48030 | Savers Expense Reimbursements | | | 23,305.00 |
| Total | | | 46,610.00 | 46,610.00 |
| Adjusting Journal Entries JE # 10 | | X1.2 | | |
| To reclassify unrestricted foundation revenue. | | | | |
| 32100 | Net Assets - Temporarily Restri | | 18,000.00 | |
| 40130 | Private Foundations & Trusts | | | 18,000.00 |
| Total | | | 18,000.00 | 18,000.00 |
| Adjusting Journal Entries JE # 11 | | C3 | | |
| To adjust the Danner and Barr endowment funds to match the cost value per the year end statements | | | | |
| 18535 | Valuation Allowance on Invests | | 15,176.82 | |
| 18735 | K Barr Endowment (870-076001) | | 10,650.72 | |
| 32000 | Net Assets - Unrestricted | | 10,230.35 | |
| 80140 | Unrealized Gains/<Loss> | | 10,583.99 | |
| 18750 | Danner Endowment | | | 36,081.20 |
| 32200 | Net Assets - Permanently Restri | | | 10,560.68 |
| Total | | | 46,641.88 | 46,641.88 |

Client: **60044120 - Sight Connection**
 Engagement: **60044120 - Audit Binder**
 Period Ending: **12/31/2017**
 Trial Balance: **3005 - Trial Balances**
 Workpaper: **4010 - Adjusting Journal Entries**

| Account | Description | W/P Ref | Debit | Credit |
|---|-------------------------------|---------------|-------------------|-------------------|
| Adjusting Journal Entries JE # 13 | | 4111.1 | | |
| To reclassify Savers revenues that were netted against the related expense accounts | | | | |
| 79999 | Donation Center Expenses | | 625,162.56 | |
| 48030 | Savers Expense Reimbursements | | | 625,162.56 |
| Total | | | 625,162.56 | 625,162.56 |
| Adjusting Journal Entries JE # 15 | | 02 | | |
| To true up payroll accrual | | | | |
| 24010 | Payroll Tax Liability | | 8,845.42 | |
| 24100 | Wages Payable | | 133,738.41 | |
| 62710 | Salaries & Wages | | | 6,292.55 |
| 62710 | Salaries & Wages | | | 133,738.41 |
| 62750 | Payroll Taxes | | | 2,552.87 |
| Total | | | 142,583.83 | 142,583.83 |
| Adjusting Journal Entries JE # 17 | | 03 | | |
| To record the deferred rent liability related to the Bitter Lake Office lease agreement | | | | |
| 63900 | Rent | | 38,957.71 | |
| 26100.VDC | Deferred Rent | | | 38,957.71 |
| Total | | | 38,957.71 | 38,957.71 |
| Adjusting Journal Entries JE # 18 | | F4 | | |
| To adjust inventory value to the inventory POS report | | | | |
| 12100 | Store Inventory | | 9,107.77 | |
| 50110 | Store Cost of Goods Sold | | | 9,107.77 |
| Total | | | 9,107.77 | 9,107.77 |
| Adjusting Journal Entries JE # 21 | | I3 | | |
| To agree depreciation expense to fixed asset schedule. | | | | |
| 60900 | Depreciation & Amortz Expense | | 11,930.77 | |
| 15199 | Accumulated Depreciation | | | 11,930.77 |
| Total | | | 11,930.77 | 11,930.77 |
| Adjusting Journal Entries JE # 22 | | I3 | | |
| To adjust accumulated depreciation to agree to the client's schedule. | | | | |
| 15199 | Accumulated Depreciation | | 6,597.46 | |
| 32000 | Net Assets - Unrestricted | | | 3,470.76 |
| 60900 | Depreciation & Amortz Expense | | | 3,126.70 |
| Total | | | 6,597.46 | 6,597.46 |
| Adjusting Journal Entries JE # 25 | | I4 | | |
| To capitalize signage that was improperly expensed. | | | | |

Client: **60044120 - Sight Connection**
 Engagement: **60044120 - Audit Binder**
 Period Ending: **12/31/2017**
 Trial Balance: **3005 - Trial Balances**
 Workpaper: **4010 - Adjusting Journal Entries**

| Account | Description | W/P Ref | Debit | Credit |
|--|--------------------------------------|-------------|------------------|------------------|
| 15010 | Furniture & Fixtures | | 1,469.11 | |
| 60720 | Comp Parts, Small Eqpt, Suppls | | | 1,469.11 |
| Total | | | 1,469.11 | 1,469.11 |
| Adjusting Journal Entries JE # 26 | | F5 | | |
| To remove demo inappropriately recorded as inventory. | | | | |
| 50110 | Store Cost of Goods Sold | | 3,250.00 | |
| 12100 | Store Inventory | | | 3,250.00 |
| Total | | | 3,250.00 | 3,250.00 |
| Adjusting Journal Entries JE # 27 | | Y2.1 | | |
| To adjust sales tax. | | | | |
| 25500 | Sales/B&O/Excise/Use Tax Paybl | | 15,095.98 | |
| 45010 | Sales - Adaptive Aids | | | 15,095.98 |
| Total | | | 15,095.98 | 15,095.98 |
| Adjusting Journal Entries JE # 29 | | E3.1 | | |
| To record an allowance for uncollectible accounts based on analytical procedures performed on accounts receivable. | | | | |
| 60300 | Bad debt | | 7,500.00 | |
| 11500 | Allowance for Uncollectible Accounts | | | 7,500.00 |
| Total | | | 7,500.00 | 7,500.00 |
| Adjusting Journal Entries JE # 31 | | O1 | | |
| To adjust the balance in account 25500 to the amount paid in January 2018 | | | | |
| 64520 | B & O Tax | | 1,688.02 | |
| 25500 | Sales/B&O/Excise/Use Tax Paybl | | | 1,688.02 |
| Total | | | 1,688.02 | 1,688.02 |
| Adjusting Journal Entries JE # 32 | | E3 | | |
| To Adjust A/R for amounts included in A/R at year end that related to 2016 beginning balance import | | | | |
| 32000 | Net Assets - Unrestricted | | 8,358.85 | |
| 11000 | Accounts Receivable | | | 8,004.23 |
| 49000 | Clinic Fees | | | 354.62 |
| Total | | | 8,358.85 | 8,358.85 |

Client: **60044120 - Sight Connection**
 Engagement: **60044120 - Audit Binder**
 Period Ending: **12/31/2017**
 Trial Balance: **3005 - Trial Balances**
 Workpaper: **4015 - Reclassifying Journal Entries**

| Account | Description | W/P Ref | Debit | Credit |
|---|--------------------------------------|-----------|-------------------|-------------------|
| Reclassifying Journal Entries JE # 3 | | V2 | | |
| To post releases from temp restricted net assets. | | | | |
| 9998.00 | Net Assets Released from Restriction | | 224,639.00 | |
| 9999.00 | Net Assets Released from Restriction | | | 224,639.00 |
| Total | | | 224,639.00 | 224,639.00 |
| Reclassifying Journal Entries JE # 12 | | C4 | | |
| To reclassify temp. restricted income related to the endowments | | | | |
| 80120 | Dividend/Interest - Investments | | 5,942.60 | |
| 80140 | Unrealized Gains/<Loss> | | 29,356.84 | |
| 80150 | Net Gain/<Loss> Stocks - Invst. | | 2,259.16 | |
| 80120.TR | Dividend/Interest Income - TR | | | 5,942.60 |
| 80140.TR | Unrealized Gain/Loss - TR | | | 29,356.84 |
| 80150.TR | Realized Gain/Loss - TR | | | 2,259.16 |
| Total | | | 37,558.60 | 37,558.60 |
| Reclassifying Journal Entries JE # 16 | | Y5 | | |
| To reclassify Savers unemployment claims to be grouped with Savers Expenses | | | | |
| 5121.00 | Unemployment Comp. (UMSD) | | 92,011.01 | |
| 62170 | Unemployment Insurance | | | 92,011.01 |
| Total | | | 92,011.01 | 92,011.01 |
| Reclassifying Journal Entries JE # 19 | | Y6 | | |
| To reclassify CCDS Expense selected for testing that was mis-coded to Advertising instead of to the Donation Center | | | | |
| 79999 | Donation Center Expenses | | 5,750.00 | |
| 60140 | Advertising - Tele, Pubs, Radio | | | 5,750.00 |
| Total | | | 5,750.00 | 5,750.00 |
| Reclassifying Journal Entries JE # 23 | | Y5 | | |
| To reclassify Savers expenses captured on the Class P&L statement. | | | | |
| 79999 | Donation Center Expenses | | 13,684.57 | |
| 62110 | Health Insurance | | | 656.72 |
| 62160 | L & I Insurance | | | 1,210.75 |
| 63620 | Legal Fees | | | 10.50 |
| 65120 | Telephone & Internet | | | 572.56 |
| 80105 | Other Income | | | 55.84 |
| 80500 | Other Expenses | | | 11,178.20 |
| Total | | | 13,684.57 | 13,684.57 |
| Reclassifying Journal Entries JE # 24 | | I4 | | |
| To reclassify legal fees related to Savers that were improperly recorded as software related expense. | | | | |
| 79999 | Donation Center Expenses | | 1,201.86 | |
| 60720 | Comp Parts, Small Eqpt, Suppls | | | 1,201.86 |
| Total | | | 1,201.86 | 1,201.86 |

Client: **60044120 - Sight Connection**
 Engagement: **60044120 - Audit Binder**
 Period Ending: **12/31/2017**
 Trial Balance: **3005 - Trial Balances**
 Workpaper: **4020 - Proposed Journal Entries**

| Account | Description | W/P Ref | Debit | Credit |
|--|------------------------------|-------------|------------------|------------------|
| Proposed JE # 30 | | X1.2 | | |
| To post a prior period adjustment recognizing bequest revenue in the period in which Sight Connection gained | | | | |
| 40130 | Private Foundations & Trusts | | 15,000.00 | |
| 32000 | Net Assets - Unrestricted | | | 15,000.00 |
| Total | | | 15,000.00 | 15,000.00 |
| Proposed JE # 34 | | N3 | | |
| To write off remaining old A/P balances (WA State Secretary, CPA ADJ, Ryders Transportation) | | | | |
| 20000 | Accounts Payable | | 4,500.77 | |
| 66000 | Miscellaneous Expenses | | | 4,500.77 |
| Total | | | 4,500.77 | 4,500.77 |
| Proposed JE # 35 | | E3 | | |
| To write off remaining old A/R balances (CPA Adjustment) | | | | |
| 49000 | Clinic Fees | | 2,775.47 | |
| 11000 | Accounts Receivable | | | 2,775.47 |
| Total | | | 2,775.47 | 2,775.47 |
| Proposed JE # 37 | | F5 | | |
| To record 2018 inventory write-off applicable to 2017. | | | | |
| 50110 | Store Cost of Goods Sold | | 3,262.17 | |
| 12100 | Store Inventory | | | 3,262.17 |
| Total | | | 3,262.17 | 3,262.17 |
| Proposed JE # 39 | | N4 | | |
| To adjust the credit card payable to the statement balance. The debit is unknown and was recorded to miscellaneous | | | | |
| 66000 | Miscellaneous Expenses | | 7,675.56 | |
| 20500 | Umpqua Credit Card | | | 7,675.56 |
| Total | | | 7,675.56 | 7,675.56 |