

File: Aug 2011

Bob Hamilton

From: Bob Hamilton <bobnanne@comcast.net>
Sent: Saturday, August 27, 2011 11:48 AM
To: Jacki Serrine
Cc: Barbara Delvechio; Betty & Gary Swanson; Bill Janowsky; Bob Hamilton; Don & Joyce Szydowski; Eddie Kelley; Emily Kirby; Gary & Carol George; Gerry Berthiaume; Helen Cronin; Jeff Schneider; Jenny Berthiaume; Karen Barkin; Karen Webber; Marcia Balzac; Matt Delvechio; Mike W; Mike Walsh; Mohd Aslami; Paul Lemieux; Sheila Cronin; Tim Rooney; Todd Little; Tom Glynn
Subject: Inquiry From Sheila Cronin
Attachments: NH Room Tax Background 8 26 11 (2).pdf

Reference :Your email of 8/24/2011

The tax issue question you received from Sheila Cronin concerned financial activity prior to your management participation. Sheila apparently received some erroneous information from her undisclosed source. Furthermore The New Hampshire Department checked their log for Piping Rock and could not find any outgoing call on that subject.

In summary. The background is as follows. The item in question was detailed in the audit report published by the audit committee. Sheila was also a member of that committee where it was disclosed. (See Enclosure)

The tax has been paid. What was in question was a penalty for late filing. Mike Walsh has received assurances from the New Hampshire Tax authorities that the penalties are to be waived due to the mitigating circumstances (The Chris Britt Theft). Their letter dated May 12.2011 is attached. We are waiting for a final letter from NH to close the issue completely.

The potential liability was not put into the budget since our accounting firm had filed for an expected similar compensating refund from the IRS for related issues.

In the unlikely event that the situation changes and the board determines that we are at risk for expenditures in this matter than we will request an increase in our appropriate budget line item for the current year.

Mike Walsh, Treasurer.

Distributed by Bob Hamilton

Client: Piping Rock Motel Condominium Association, Inc.
 Engagement: Piping Rock Motel Condominium Association, Inc.
 Trial Balance: 73
 Worksheet: 3600.01 - Financial Statement Grouping Report

Account	Description	1st PP-FINAL 4/30/2009	UNADJ 4/30/2010	JE Ref #	AJE	ADJ 4/30/2010	JE Ref #	RJE	FINAL 4/30/2010
Group : [4100]	Cash and Cash Equivalents								
Subgroup : [4100]	Cash and Cash Equivalents								
1000	Rental Checking	838.00	5,466.00		0.00	5,466.00		0.00	5,466.00
1010	Association Checking	1,348.00	6,729.00		0.00	6,729.00		0.00	6,729.00
1500	Petty Cash	69.00	265.00		0.00	265.00		0.00	265.00
	Subtotal [4100.00] Cash and Cash Equivalents	2,255.00	12,460.00		0.00	12,460.00		0.00	12,460.00
Subgroup : [4100]	Restricted Cash								
1020	Rental Reserve #4781	1,266.00	73.00		0.00	73.00		0.00	73.00
1030	Metal Reserve #4114	13,553.00	12,631.00		0.00	12,631.00		0.00	12,631.00
1040	Common Savings Reserve #4543	11,353.00	3,365.00		0.00	3,365.00		0.00	3,365.00
1050	Cottage Septic Reserve #5863	19,603.00	22,848.00		0.00	22,848.00		0.00	22,848.00
1080	Dock Reserve #1802	7,733.00	879.00		0.00	879.00		0.00	879.00
	Subtotal [4100.05] Restricted Cash	53,508.00	39,796.00		0.00	39,796.00		0.00	39,796.00
	Total [4100] Cash and Cash Equivalents	55,763.00	52,256.00		0.00	52,256.00		0.00	52,256.00
Group : [4200]	Receivables								
Subgroup : [4200]	Accounts Receivable								
1200	Accounts Receivable	(1,493.00)	(2,117.00)		0.00	(2,117.00)		2,117.00	0.00
1300	Condo Fees	(190.00)	(3,743.00)		0.00	(3,743.00)	RJE - 5	2,117.00	0.00
	Subtotal [4200.00] Accounts Receivable	(1,683.00)	(5,860.00)		0.00	(5,860.00)	RJE - 5	3,743.00	0.00
Subgroup : [4200]	Other Receivables								
1250	Other Receivable - Insurance	0.00	0.00		23,985.96	23,985.96		0.00	23,985.96
	Subtotal [4200.10] Other Receivables	0.00	0.00	AJE - 4	23,985.96	23,985.96		0.00	23,985.96
	Total [4200] Receivables	(1,683.00)	(5,860.00)		23,985.96	18,125.96		5,860.00	23,985.96
	Current Assets	54,080.00	46,396.00		23,985.96	70,381.96		5,860.00	76,241.96
Group : [4600]	Property, Plant and Equipment								
Subgroup : [4600]	Machinery and Equipment								
1350	Equipment	0.00	440.00		0.00	440.00		0.00	440.00
	Subtotal [4600.25] Machinery and Equipment	0.00	440.00		0.00	440.00		0.00	440.00
	Total [4600] Property, Plant and Equipment	0.00	440.00		0.00	440.00		0.00	440.00
	Non-Current Assets	0.00	440.00		0.00	440.00		0.00	440.00
	TOTAL ASSET	54,080.00	46,836.00		23,985.96	70,821.96		5,860.00	76,681.96
Group : [5100]	Accounts Payable								
Subgroup : [5100]	Accounts Payable								
2000	Accounts Payable	(2,946.00)	(12,102.00)		0.00	(12,102.00)		0.00	(12,102.00)
2110	Advance Deposits Utility Deposit	(460.00)	(225.00)		0.00	(225.00)		0.00	(225.00)
2120	Advance Deposits Utility Deposit Gift Cert	0.00	(161.00)		0.00	(161.00)		0.00	(161.00)
2400	Room/Sales Tax Payable	(166.00)	(8,169.00)		0.00	(8,169.00)		0.00	(8,169.00)
2450	Amounts payable to owners	0.00	0.00		0.00	0.00		(5,060.00)	(5,060.00)
	Subtotal [5100.00] Accounts Payable	(3,572.00)	(20,657.00)		0.00	(20,657.00)	RJE - 5	(5,860.00)	(26,517.00)
Subgroup : [5100]	Customer Deposits								
2100	Advance Deposits	(28,601.00)	(725.00)		(24,519.00)	(25,244.00)		0.00	(25,244.00)



State of New Hampshire Department of Revenue Administration

109 Pleasant Street
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www.nh.gov/revenue



ADMINISTRATION
Kevin A. Clougherty
Commissioner

Margaret L. Fulton
Assistant Commissioner

COLLECTION DIVISION
Philip E. Lawrence
Director

Loren M. Jackson
Assistant Director

May 12, 2011

MICHAEL WALSH
PIPING ROCK MOTEL CONDO
680 N MAIN STREET
PO BOX 920
WOLFEBORO NH 03894-0920

RE: Piping Rock Motel Condo
NH MEAL & RENTALS TAX
Taxable Period: 07/09, 09/09, 10/09, 11/09, 12/09 & 01/10
LICENSE NO/FEIN: 043471
AMOUNT DUE: \$5620.61

Dear Mr. Walsh:

This letter is in regards to your appeal request received on April 19, 2011, in which you are requesting a waiver of penalties. After review of your account it was determined tax and interest is due in the amount of \$5,620.61.

Once payment of the tax and interest has been received, we will agree to waive the failure to pay and failure to file penalties for the tax periods referenced above. Please submit the payment due by May 31, 2011.

As part of the agreement, we also need to close the adjudicative proceeding for this appeal request. Please sign the withdrawal request located at the bottom of this letter and return the original to me by May 31, 2011, along with payment. A copy should be made for your records. Should you have any questions you may contact me at (603) 271-3702.

Sincerely,

Janet Weeks
Tax Compliance Officer
Collections Division

Cc: Denise A. Daniel, Esq., Hearing Officer; Hearings Bureau

I hereby withdraw my request for adjudicative proceeding in the above captioned matter.

Michael Walsh, Treasurer
Signature of Taxpayer/Designated Representative

5/3/11
(Date)