

**TOWNSHIP OF MULLETT, MICHIGAN**

**ANNUAL FINANCIAL REPORT**

**YEAR ENDED MARCH 31, 2021**

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*Effect:* As a result of this condition, the Township is exposed to an increased risk that misstatements (whether caused by error or fraud) may occur and not be prevented or detected and corrected by management on a timely basis.

*Auditor's Recommendation:* While there are, of course, no easy answers to the challenge of balancing the costs and benefits of internal controls and the segregation of incompatible duties, we would nevertheless encourage management to actively seek ways to further strengthen its internal control structure by requiring as much independent review, reconciliation, and approval of accounting functions by qualified members of management as possible.

*Management's Response:* The Township concurs with this finding. The Township will require appropriate sign-offs of a second responsible person for key accounting functions

We did not audit the Township's response to the internal control finding described above and, accordingly, we express no opinion on it.

*Restriction on Use*

This information is intended solely for the information and use of the Board of Trustees and management of the Township and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in cursive script that reads "Gabridge & Company". The signature is written in dark ink and is positioned above the printed name of the company.

Gabridge & Company, PLC  
Traverse City, MI