



Dave Yost • Auditor of State



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Wellington Union Cemetery
Lorain County
115 Willard Memorial Square
Wellington, Ohio 44090

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Wellington Union Cemetery, Lorain County, Ohio, (the Cemetery) for the years ended December 31, 2015 and 2014.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code Section 117.11(A). Because our procedures were not designed to opine on the Cemetery's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Cemetery's financial statements, transactions or balances for the years ended December 31, 2015 and 2014.

The Cemetery's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code Section 117.11(A) is to examine, analyze and inspect these records and documents.

Current Year Observations

1. The January 1, 2014 cash fund balance, obtained from the Cemetery's prior engagement work papers, plus receipts less disbursements did not agree to total cash balance documented on the Cemetery's December 31, 2014 *Annual Financial Report* by an initial \$1,018 variance. The cemetery's management researched this variance and identified a \$1,000 certificate of deposit which was initially excluded from the *Annual Financial Report*. The remaining \$18 variance (book over bank) was not identified and deemed to be insignificant by management.

We recommend the Cemetery include all deposit and investment accounts on its *Annual Financial Report*. Additionally, the *Annual Financial Report* should include a calculation of the beginning fund balance (carried over from the prior report's ending balance), plus receipts, less disbursements equaling its ending fund balance. The ending fund balance should then be compared to the bank balances and reconciled for difference such as outstanding checks and/or deposits in transit, as applicable. Any receipt or disbursement accounting errors noted during this cash reconciliation process should be clearly documented and adjusted to the financial statements and accounting records accordingly.

2. The January 1, 2015 cash fund balance, obtained from the 2014 *Annual Financial Report*, plus receipts less disbursements did not agree to total cash balance documented on the Cemetery's December 31, 2015 *Annual Financial Report* by a \$324 variance (bank over book). Since the cash balance in the bank exceeded the amount recorded in the accounting records, no additional investigation of this amount was performed.

Current Year Observations (Continued)

We recommend the management investigate the aforementioned \$324 variance, determine and document the individual transaction(s) comprising the difference, and adjust its accounting records accordingly. In addition, we recommend Cemetery's *Annual Financial Report* should include a calculation of the beginning fund balance (carried over from the prior report's ending balance), plus receipts, less disbursements equaling its ending fund balance. The ending fund balance should then be compared to the bank balances and reconciled for difference such as outstanding checks and/or deposits in transit, as applicable. Any receipt or disbursement accounting errors noted during this cash reconciliation process should be clearly documented and adjusted to the financial statements and accounting records accordingly.

3. We noted the Cemetery's December 31, 2011 and 2010 audited financial statements included separate columns for its General Fund and Endowment Trust Fund (permanent fund). However, the *Annual Financial Reports* for December 31, 2015 and 2014 reported all the Cemetery's activities in one column.

We recommend the Cemetery report include separate columns for its General Fund, its Endowment Fund (permanent fund) and a combined total for all funds. Example financial statements and notes can be obtained from the Auditor of State Website.

Current Status of Matters we Reported in our Prior Engagement

Our prior engagement included recommendations related to cemetery's cash reconciliation process and *Annual Financial Report* format. As discussed in the current year observations, these issues remain to be addressed.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

April 12, 2016



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WELLINGTON UNION CEMETERY

LORAIN COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
MAY 3, 2016