



**Auditor of State
Betty Montgomery**

**ANDOVER UNION CEMETERY
ASHTABULA COUNTY**

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANT'S REPORT

Andover Union Cemetery
Ashtabula County
134 Maple Street
P.O. Box 591
Andover, Ohio 44003

To the Board of Trustees:

We have audited the accompanying financial statements of Andover Union Cemetery, Ashtabula County, (the Cemetery) as of and for the years ended December 31, 2003 and December 31, 2002. These financial statements are the responsibility of the Cemetery's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the Cemetery prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balances of the Cemetery as of December 31, 2003 and 2002, and its cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2004 on our consideration of the Cemetery's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Andover Union Cemetery
Ashtabula County
Independent Accountant's Report
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This report is intended solely for the information and use of the management, the Board and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

December 21, 2004

**ANDOVER UNION CEMETERY
ASHTABULA COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GOVERNMENTAL FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2003**

	Governmental Fund Type
	General
Cash Receipts:	
Local Taxes	\$19,454
Intergovernmental	1,982
Charges for Services	6,135
Sale of Lots	1,350
Interest	152
Miscellaneous	1,486
	30,559
Total Cash Receipts	30,559
Cash Disbursements:	
Current:	
Salaries	9,271
Supplies	262
Contracts - Repair & Services	9,385
Improvement of Sites	10,945
Public Employees' Retirement	1,222
Workers' Compensation	345
Miscellaneous	1,882
	33,312
Total Disbursements	33,312
Total Receipts Over/(Under) Disbursements	(2,753)
Fund Cash Balances, January 1	14,571
Fund Cash Balances, December 31	\$11,818

The notes to the financial statements are an integral part of this statement.

ANDOVER UNION CEMETERY
ASHTABULA COUNTY

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
NON-EXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2003

Non-Expendable
Trust

Operating Cash Receipts:

Interest

\$37

Operating Cash Disbursements:

Supplies

29

Operating Income/(Loss)

8

Fund Cash Balances, January 1

1,478

Fund Cash Balances, December 31

\$1,486

The notes to the financial statements are an integral part of this statement.

**ANDOVER UNION CEMETERY
ASHTABULA COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GOVERNMENTAL FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2002**

	Governmental Fund Type
	General
Cash Receipts:	
Local Taxes	\$16,954
Intergovernmental	1,636
Charges for Services	4,115
Sale of Lots	1,800
Interest	219
Miscellaneous	162
	24,886
Total Cash Receipts	24,886
Cash Disbursements:	
Current:	
Salaries	9,458
Supplies	442
Contracts - Repair & Services	7,216
Improvement of Sites	352
Public Employees' Retirement	1,263
Workers' Compensation	153
Miscellaneous	4,531
	23,415
Total Disbursements	23,415
Total Receipts Over/(Under) Disbursements	1,471
Fund Cash Balances, January 1	13,100
Fund Cash Balances, December 31	\$14,571

The notes to the financial statements are an integral part of this statement.

ANDOVER UNION CEMETERY
ASHTABULA COUNTY

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
NON-EXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Non-Expendable Trust</u>
Operating Cash Receipts:	
Interest	<u>\$51</u>
Operating Cash Disbursements:	
Supplies	<u>73</u>
Operating Income/(Loss)	<u>(22)</u>
Fund Cash Balances, January 1	<u>1,500</u>
Fund Cash Balances, December 31	<u><u>\$1,478</u></u>

The notes to the financial statements are an integral part of this statement.

**ANDOVER UNION CEMETERY
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Ashtabula Union Cemetery, Ashtabula County, (the Cemetery) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Cemetery is directed by an appointed three-member Board of Trustees. The Board is appointed by the Village of Andover and Andover Township. These entities also provide funding to meet the Cemetery's operating costs under the agreement which established the Cemetery. The accompanying financial statements present this funding as Local Taxes. The Cemetery provides grounds maintenance, opening and closing of graves, and the sale of grave lots.

The Cemetery's management believes these financial statements present all activities for which the Cemetery is financially accountable.

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and Investments

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

Certificates of deposit are valued at cost.

D. Fund Accounting

The Cemetery uses fund accounting to segregate cash and investments that are restricted as to use. The Cemetery classifies its funds into the following types:

1. General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

2. Fiduciary Fund (Non-Expendable Trust Fund)

These funds are used to account for resources restricted by legally binding trust agreements. The Cemetery had the following significant fiduciary fund:

Frank Green Trust Fund - This fund receives interest from fund investments. Proceeds are used to maintain four grave sites.

**ANDOVER UNION CEMETERY
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

The Cemetery budgets each fund annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control. The Board annually approves appropriation measures and subsequent amendments.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1.

A summary of 2003 and 2002 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as capital outlay disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Cemetery maintains a cash and investments pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 follows:

	2003	2002
Demand deposits	\$11,804	\$14,549
Certificates of deposit	1,500	1,500
Total deposits	\$13,304	\$16,049

Deposits: Deposits are insured by the Federal Depository Insurance Corporation.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2003 and 2002 follows:

2003 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$23,350	\$30,559	\$7,209
Fiduciary (Trust Fund)	29	37	8
Total	\$23,379	\$30,596	\$7,217

**ANDOVER UNION CEMETERY
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

2003 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$39,399	\$33,312	\$6,087
Fiduciary (Trust Fund)	29	29	0
Total	\$39,428	\$33,341	\$6,087

2002 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$27,837	\$24,886	(\$2,951)
Fiduciary (Trust Funds)	73	51	(22)
Total	\$27,910	\$24,937	(\$2,973)

2002 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$40,437	\$23,415	\$17,022
Fiduciary (Trust Funds)	73	73	0
Total	\$40,510	\$23,488	\$17,022

4. RETIREMENT SYSTEMS

The Cemetery's employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. The plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 2003 and 2002, PERS employee members contributed 8.5% of their gross salaries. The Cemetery contributed an amount equal to 13.55% of participants' gross salaries. The Cemetery has paid all contributions required through December 31, 2003.

5. RISK MANAGEMENT

Commercial Insurance

The Andover Union Cemetery has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

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Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Andover Union Cemetery
Ashtabula County
134 Maple Street
P.O. Box 591
Andover, Ohio 44003

To the Board of Trustees:

We have audited the financial statements of Andover Union Cemetery, Ashtabula County, (the Cemetery), as of and for the years ended December 31, 2003 and 2002, and have issued our report thereon dated December 21, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Cemetery's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Cemetery's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Cemetery in a separate letter dated December 21, 2004.

Andover Union Cemetery
Ashtabula County
Independent Accountant's Report on Compliance and on Internal Control
Required by *Government Auditing Standards*
Page 2

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

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

December 21, 2004



**Auditor of State
Betty Montgomery**

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P.O. Box 1140
Columbus, Ohio 43216-1140

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800-282-0370

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ANDOVER UNION CEMETERY

ASHTABULA 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
JANUARY 13, 2005**