



Mary Taylor, CPA
Auditor of State

**WOODLAWN UNION CEMETERY
HENRY COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Cover Letter	1
Independent Accountants' Report.....	3
Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Balance – General Fund - For the Year Ended December 31, 2008.....	5
Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Balance – General Fund - For the Year Ended December 31, 2007.....	6
Notes to the Financial Statements	7
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	9
Schedule of Findings.....	11

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Mary Taylor, CPA

Auditor of State

Woodlawn Union Cemetery
Henry County
F-754 County Road 6
Deshler, Ohio 43516-9738

To the Board of Trustees:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to a February 2, 2005, interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

May 29, 2009

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Woodlawn Union Cemetery
Henry County
F-754 County Road 6
Deshler, Ohio 43516-9738

To the Board of Trustees:

We have audited the accompanying financial statements of Woodlawn Union Cemetery, Henry County, Ohio (the Cemetery), as of and for the years ended December 31, 2008 and 2007. 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Cemetery has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the fund the accompanying financial statements present, GAAP require presenting entity wide statements and also to present its larger (i.e. major) funds separately. While the Cemetery does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require cemeteries to reformat their statements. The Cemetery has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2008 and 2007, do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Cemetery as of December 31, 2008 and 2007, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balance of Woodlawn Union Cemetery, Henry County, as of December 31, 2008 and 2007, and its cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The Cemetery has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 29, 2009, 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 grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.



Mary Taylor, CPA
Auditor of State

May 29, 2009

**WOODLAWN UNION CEMETERY
HENRY COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN CASH BALANCE - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2008**

Cash Receipts:	
Intergovernmental	\$12,000
Charges for Services	8,700
Sale of Lots	3,875
Interest	1,202
Miscellaneous	<u>29</u>
Total Cash Receipts	<u>25,806</u>
Cash Disbursements:	
Current:	
Salaries	5,936
Payroll Withholdings	384
Supplies	2,287
Equipment	2,100
Contracts - Services	10,173
Public Employees' Retirement	1,673
Miscellaneous	<u>1,305</u>
Total Cash Disbursements	<u>23,858</u>
Total Cash Receipts Over Cash Disbursements	1,948
Cash Balance, January 1	<u>61,240</u>
Cash Balance, December 31	<u><u>\$63,188</u></u>

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

**WOODLAWN UNION CEMETERY
HENRY COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN CASH BALANCE - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2007**

Cash Receipts:	
Intergovernmental	\$12,000
Charges for Services	9,650
Sale of Lots	5,900
Interest	964
Miscellaneous	<u>7</u>
Total Cash Receipts	<u>28,521</u>
Cash Disbursements:	
Current:	
Salaries	6,336
Payroll Withholdings	330
Supplies	1,154
Equipment	1,235
Contracts - Services	6,753
Public Employees' Retirement	1,690
Capital Outlay	1,246
Miscellaneous	<u>1,323</u>
Total Cash Disbursements	<u>20,067</u>
Total Cash Receipts Over Cash Disbursements	8,454
Cash Balance, January 1	<u>52,786</u>
Cash Balance, December 31	<u><u>\$61,240</u></u>

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

**WOODLAWN UNION CEMETERY
HENRY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges for Woodlawn Union Cemetery, Henry County, Ohio (the Cemetery), as a body corporate and politic. The Village of Deshler and Bartlow Township appoint a three-member Board of Trustees to direct cemetery operations. 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 Intergovernmental Receipts. 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 the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements basis of accounting. This basis recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

C. Cash

The Cemetery records certificates of deposit at cost.

D. Fund Accounting

The General Fund is the general operating fund. It presents all financial resources.

E. Property, Plant, and Equipment

The financial statements report acquisitions of property, plant, and equipment as capital outlay disbursements when paid. The financial statements do not report these items as assets.

2. DEPOSITS

The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits at December 31 follows:

	<u>2008</u>	<u>2007</u>
Demand deposits	\$37,974	\$37,103
Certificates of deposit	25,214	24,137
Total deposits	<u>\$63,188</u>	<u>\$61,240</u>

Deposits are insured by the Federal Depository Insurance Corporation.

**WOODLAWN UNION CEMETERY
HENRY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007
(Continued)**

3. RETIREMENT SYSTEM

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

The Ohio Revised Code also prescribes contribution rates. The Cemetery's OPERS members contributed 10 percent of their gross salaries for 2008 and 9.5 percent for 2007. The Cemetery contributed an amount equal to 14 percent of participants' gross salaries for 2008 and 13.85 percent for 2007. The Cemetery has paid all contributions required through December 31, 2008.

4. RISK MANAGEMENT

Commercial Insurance

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

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



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INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Woodlawn Union Cemetery
Henry County
F-754 County Road 6
Deshler, Ohio 43516-9738

To the Board of Trustees:

We have audited the financial statements of Woodlawn Union Cemetery, Henry County, Ohio (the Cemetery), as of and for the years ended December 31, 2008 and 2007, and have issued our report thereon dated May 29, 2009, wherein we noted the Cemetery prepared its financial statements using accounting practices the Auditor of State prescribes or permits rather than accounting principles generally accepted in the United States of America. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Cemetery's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinion on the financial statements, but not to opine on the effectiveness of the Cemetery's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Cemetery's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider a significant deficiency.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Cemetery's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the Cemetery's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

We consider finding 2008-001 described in the accompanying schedule of findings to be a significant deficiency in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Cemetery's internal control will not prevent or detect a material financial statement misstatement.

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Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. We believe the finding described above is also a material weakness.

We also noted a certain internal control matter that we reported to the Cemetery's management in a separate letter dated May 29, 2009.

Compliance and Other Matters

As part of reasonably assuring whether the Cemetery's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We did not identify any noncompliance that we reported to the Cemetery's management in a separate letter dated May 29, 2009.

We intend this report solely for the information and use of management and the Board of Trustees. We intend it for no one other than these specified parties.



Mary Taylor, CPA
Auditor of State

May 29, 2009

**WOODLAWN UNION CEMETERY
HENRY COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2008 AND 2007**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

FINDING NUMBER 2008-001

Material Weakness

Monitoring of Financial Transactions

Inaccurate posting of transactions impedes the ability of the Cemetery to accurately assess the financial status of the Cemetery. We noted the following during our audit:

- The financial statements did not correctly add in 2007 or 2008. We had to make adjustments of \$146 and \$634 to reduce the ending fund balance to the appropriate amounts.
- Bank account transfers of \$1,231 and \$6,988 were recorded as miscellaneous revenue in 2007 and 2008 respectively.
- Grave Openings/Closings of \$1,300 were recorded to the Lot Sales line item, instead of charges for services.

Errors such as these cause misstatements to the financial statements which could affect readers' opinions of the Cemetery's financial status.

We recommend the Cemetery adopt policies and procedures including a final review of the financial statements by the Clerk and the Trustees to ensure errors and omissions are detected and corrected.

Officials' Response:

We did not receive a response from Officials to this finding.



Mary Taylor, CPA
Auditor of State

WOODLAWN UNION CEMETERY

HENRY 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
JUNE 30, 2009**