



Dave Yost • Auditor of State



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Wellington Community Improvement Corporation
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 Community Improvement Corporation, Lorain County, Ohio (the CIC) for the years ended December 31, 2016 and 2015.

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 CIC's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the CIC's financial statements, transactions or balances for the years ended December 31, 2016 and 2015.

The CIC'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. **Ohio Rev. Code § 1724.05** requires each community improvement corporation to file their financial statements with the Auditor of State's Office annually. The report must be prepared according to generally accepted accounting principles and filed within 120 days after fiscal year.

The CIC did not file its 2015 annual report until November 1, 2017, which was after the due date of April 29, 2016. The CIC did not file its 2016 annual report until June 13, 2017, which was after the April 30, 2017 deadline. The 2016 did not contain the required notes to the financial statements. The CIC re-filed their 2016 annual report on November 1, 2017 with the notes to the financial statements.

The CIC should file complete financial statements, including notes, by the required filing deadline each year.

2. The CIC reported \$14,000 for accounts receivable as of December 31, 2016 and 2015 on their financial statements. Upon further investigation, it was determined there was no support for the reported receivables.

The CIC should ensure there is adequate supporting documentation for all items reported on their year-end financial statements.

Current Year Observations (Continued)

3. The CIC did not maintain a detailed expense or revenue ledger in 2016 or 2015. To prepare the year-end financial statements, the CIC compiled information from the monthly bank statements. Although the CIC did not have a significant amount of activity in 2015 or 2016, the CIC is susceptible to incorrect financial reporting without maintaining detailed expense and revenue ledgers.

Since the CIC did not maintain any detailed accounting ledgers in 2016 or 2015 or even a check register, there was no way to perform a book to bank reconciliation. The CIC reported the cash balance on their financial statements from the year-end bank statements.

The CIC should maintain a detailed expense and revenue ledger, even if the ledger is only a check register, and a monthly bank to book reconciliation should be performed.

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

November 14, 2017



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WELLINGTON COMMUNITY IMPROVEMENT CORPORATION

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
NOVEMBER 28, 2017**