

Audit Highlights

Annual Financial Report
Unicoi County, Tennessee
For the Year Ended June 30, 2004

Scope

We have audited the financial statements of each major fund of Unicoi County as of and for the year ended June 30, 2004. We were also engaged to audit the aggregate remaining fund information for Unicoi County as of and for the year ended June 30, 2004.

Results

Our report on Unicoi County's financial statements expresses an adverse opinion because government-wide financial statements are not presented in accordance with Governmental Accounting Standards Board Statement No. 34.

In addition, we could not properly determine the propriety of transactions and balances of the Offices of Circuit and General Sessions Courts Clerk as discussed in the Independent Auditor's Report. This resulted in a disclaimer of opinion on the presentation of the aggregate remaining fund information in conformity with the basis of accounting prescribed by the Comptroller of the Treasury of the State of Tennessee.

Our audit resulted in five findings and recommendations, which we have reviewed with Unicoi County's management. Detailed findings and recommendations are included in the Single Audit Report.

The following are summaries of the audit findings:

UNICOI COUNTY:

- ◆ Government-wide financial statements were not presented in accordance with generally accepted accounting principles, resulting in an adverse opinion.

OFFICE OF COUNTY MAYOR:

- ◆ The office did not update its inventory records regularly and did not tag and clearly mark some equipment as county property.

OFFICE OF CIRCUIT AND GENERAL SESSIONS COURTS CLERK:

- ◆ The clerk did not prepare trial balances of execution docket cause balances.

OTHER FINDINGS:

- ◆ County officials had not adopted a central system of accounting, budgeting, and purchasing.
- ◆ Duties were not segregated adequately among the officials and employees in the Offices of Clerk and Master and Sheriff.

*State of Tennessee
Comptroller of the Treasury
Department of Audit
Division of County Audit*