



**INDEPENDENT ACCOUNTANTS' REPORT  
ON APPLYING AGREED-UPON PROCEDURES**

Beaufort County  
Beaufort County, South Carolina

We have applied the procedures described below, as agreed to by Beaufort County (the County) to assist the County in evaluating the accuracy of its analysis (the Analysis) of the equity in pooled cash of the Lady's Island Airport and the Hilton Head Island Airport (the Airports) for fiscal years ended June 30, 2001 through 2009 (unless otherwise specified below).

Our engagement to apply agreed-upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified user of this report, which is Beaufort County. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

**AGREED UPON PROCEDURE**

We obtained the County's ledgers by year of the Airports' equity in pooled cash accounts (the ledgers), we agreed the ending balance from these ledgers to the balance reported in the County's Comprehensive Annual Financial Report as "Cash and Investments with Trustee", "Advances to General Fund" or "Due to General Fund" (as applicable) for each Airport for the fiscal years ended June 30, 2001 through June 30, 2008.

**FINDINGS**

- No findings were noted as a result of this procedure.

**AGREED UPON PROCEDURE**

From the ledgers provided for years 2003 through 2009, we traced all transactions identified by the finance department as revenue to clearing as reflected in a bank statement.

**FINDINGS**

- No findings were noted as a result of this procedure.

**AGREED UPON PROCEDURE**

From the ledgers provided for years 2003 through 2009, we traced all transactions identified by the finance department as transfers outside the Airports or between Airport accounts to the corresponding journal entries.

**FINDINGS**

- No findings were noted as a result of this procedure.

**AGREED UPON PROCEDURE**

From the provided ledgers for years 2001 through 2009, we selected a sample of at least 60% accounts payable transactions for each fund for each year. For each transaction selected we vouched the associated Airport invoice.

**FINDINGS**

- There were seven checks for which support could not be located.

**AGREED UPON PROCEDURE**

We obtained the County's "Cash and Capital Asset Reconciliation" for the Airports. We agreed the cash transaction totals from this analysis to the amounts reported in the County's Comprehensive Annual Financial Report for each Airport for the fiscal years ended June 30, 2001 through June 30, 2008.

**FINDINGS**

- No findings were noted as a result of this procedure.

We were not engaged to and did not perform an audit, the objective of which would be the expression of an opinion on Beaufort County's analysis of its Airports. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is solely for the information and use of Beaufort County and is not intended to be and should not be used by anyone other than that specified party.

*Elliott Davis, LLC*

Columbia, South Carolina  
July 27, 2009