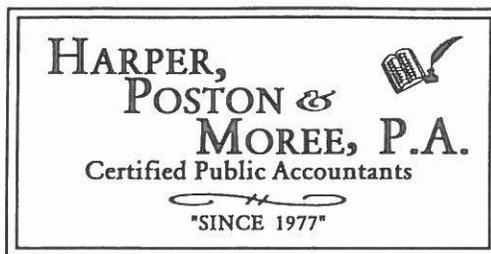


ADDITIONAL INFORMATION REQUIRED BY  
*GOVERNMENT AUDITING STANDARDS*



Robert D. Harper, Jr. CPA  
Stacey C. Moree CPA  
P. O. Box 1550  
106 Wall Street, Litchfield  
Pawleys Island, SC 29585  
Tel (843) 237-9125  
Fax (843) 237-1621  
E-mail: HPM@sc.rr.com

Robin B. Poston CPA  
P. O. Box 576  
307 Church Street  
Georgetown, SC 29442  
Tel (843) 527-3413  
Fax (843) 546-7277

**REPORT OF INDEPENDENT AUDITORS  
ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

To the Honorable Mayor and  
Members of City Council  
City of Georgetown, South Carolina

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Georgetown, South Carolina as of and for the year ended June 30, 2010, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 20, 2010. 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.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### **Compliance And Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, others within the organization, City Council, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Harper, Poston & Moree, P.A.*  
Harper, Poston & Moree, P.A.  
Certified Public Accountants

Pawleys Island, South Carolina  
December 20, 2010

# CITY OF GEORGETOWN, SOUTH CAROLINA

## Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2010

### A. Summary of Audit Results

1. The auditor's report expresses an unqualified opinion on the basic financial statements.
2. No significant deficiencies relating to the audit of the financial statements are reported in the auditors report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements were disclosed during the audit.
4. An audit in accordance with OMB Circular A-133 was not required. There were no major federal award programs for the current year; therefore no significant deficiencies were disclosed for major federal programs.
5. There were no major federal award programs for the current year; therefore no auditor's report on compliance for major federal programs was issued.
6. No audit findings relative to major federal programs are reported in Part C of this schedule.
7. An audit in accordance with OMB Circular A-133 was not required. No programs were tested as major programs.
8. The City did not fall under the audit requirements of OMB Circular A-133; therefore there was no threshold for distinguishing types A and B programs.
9. Risk relative to OMB Circular A-133 was not assessed.

### B. Findings – Financial Statement Audit

None.

### C. Findings and Questioned Costs – Major Federal Award Programs Audit

None.

# **CITY OF GEORGETOWN, SOUTH CAROLINA**

## **Summary Schedule of Prior Audit Findings**

For the Year Ended June 30, 2010

There are no prior year audit findings relating to federal award programs for the fiscal year 2009 that are required by OMB Circular A-133 to be reported in the Summary Schedule of Prior Audit Findings for the year ended June 30, 2010.

