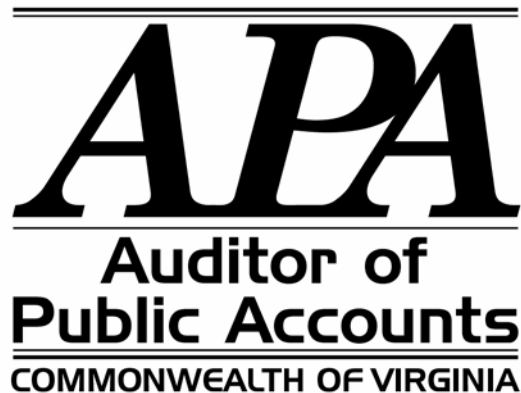


NANCY C. BEVERAGE, TREASURER
of the
CITY OF WAYNESBORO, VIRGINIA

REPORT ON EXAMINATION
of
COMMONWEALTH REVENUES

FOR THE PERIOD
JULY 1, 2005 THROUGH DECEMBER 31, 2005



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Commonwealth of Virginia

Walter J. Kucharski, Auditor

**Auditor of Public Accounts
P.O. Box 1295
Richmond, Virginia 23218**

January 19, 2006

Sandra F. Dixon
Incoming Treasurer

Nancy C. Beverage
Outgoing Treasurer

City Council
City of Waynesboro

Independent Auditor's Report

We have examined the accompanying Schedule of the Treasurer's Accountability to the Commonwealth of Nancy C. Beverage, Treasurer of the City of Waynesboro, for the period July 1, 2005 through December 31, 2005. All records supporting the amounts in this schedule are the Treasurer's responsibility. Our responsibility is to express an opinion based on our examination.

We conducted our examination in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards include examining, on a test basis, evidence supporting the amounts in the Schedule of Treasurer's Accountability and performing such other procedures, as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

Section 58.1-3136 of the Code of Virginia requires a turnover audit whenever a treasurer leaves office. The examination was performed to determine the accountability of the Treasurer at December 31, 2005 and to turn over the assets, accounts, and records of the office to Sandra F. Dixon, the newly elected Treasurer.

In our opinion, based on our examination, the schedule referred to above presents fairly, in all material respects, Commonwealth Funds collected and remitted by Nancy C. Beverage, Treasurer of the City of Waynesboro, Virginia, for the period July 1, 2005 through December 31, 2005, on the cash basis of accounting.

AUDITOR OF PUBLIC ACCOUNTS

CITY OF WAYNESBORO
SCHEDULE OF THE TREASURER'S ACCOUNTABILITY TO THE COMMONWEALTH
For the Period Ended December 31, 2005

	Balance July 1, 2005	Collections	Remittances	Balance December 31, 2005
2005 Taxes:				
Estimated income taxes	\$ 110	\$ 315,654	\$ 314,674	\$ 1,090
2004 Taxes:				
Taxable year income taxes	-	28,333	28,333	-
Other Collections:				
Penalty	-	170	170	-
Interest	-	43	43	-
Share of fees of sheriff and deputies	204	38,737	38,656	285
Total	<u>\$ 314</u>	<u>\$ 382,937</u>	<u>\$ 381,876</u>	<u>\$ 1,375</u>

This schedule has been prepared on the cash basis of accounting.

CITY OF WAYNESBORO

TREASURER

NOTES TO THE SCHEDULE OF ACCOUNTABILITY

FOR THE PERIOD JULY 1, 2005 THROUGH DECEMBER 31, 2005

1. SCHEDULE PRESENTATION

The Schedule of Treasurer's Accountability to the Commonwealth represents the Treasurer's accounting for state taxes and fees collected for the Commonwealth of Virginia. The schedule is prepared on the cash basis of accounting.

2. DISCHARGE FROM LIABILITY

In accordance with section 58.1-3145 of the Code of Virginia, the outgoing treasurer is required to file certificates with the circuit court showing the final settlement of his account as treasurer to secure final discharge from liability.