

**Independent Accountant's Report on Applying Agreed-Upon Procedures**  
**Merchandise Account Annual Report**

To the Management of the \_\_\_\_\_  
\_\_\_\_\_, South Carolina

We have performed the procedures described below, which were agreed to by the management of the \_\_\_\_\_ (the "Company"), license number \_\_\_\_\_ solely to assist you in complying with the requirements of the South Carolina Perpetual Care Cemetery Board and to evaluate the accompanying Merchandise Account Annual Reports, referred to as "Annual Reports", of the Company, prepared in accordance with the criteria specified therein, for the year ending \_\_\_\_\_ 20\_\_\_. The Company's management is responsible for the Annual Reports for the year ending \_\_\_\_\_, 20\_\_\_. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

A. Beginning balances of Annual Reports

1. We traced the beginning balances on the Annual Reports for 20\_\_\_, to the ending balances of these same reports for the previous year. Any discrepancies, if applicable, are enumerated below as findings along with an explanation from management for the differences.
2. We traced the beginning balances on the Annual Reports for 20\_\_\_, to the beginning balances on the Merchandise Account bank/brokerage statements. Any discrepancies, if applicable, are enumerated below as findings along with an explanation from management for the differences.

Our findings as a result of these procedures are as follows:

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\_\_\_\_\_

B. Sales contracts

1. We obtained a listing of all sales contracts for merchandise sold on a pre-need basis that were paid in full during 20\_\_\_. We randomly selected, from each year, the greater of 10% of the number of contracts or 10 contracts that were paid in full and traced the deposits made by the Company to the Merchandise Account bank/brokerage statements. We verified that the Company deposited 100% of the cost of the merchandise into the Merchandise Account no later than sixty days after the final payment was received on the merchandise. Any discrepancies, if applicable, are enumerated below as findings along with an explanation from management for the differences.

2. Agreed total deposits on the Annual Reports for the Merchandise Account to the Merchandise Account bank/brokerage statements.

C. Interest or other income

We traced total interest or other income on the Annual Reports for 20\_\_, to the interest or other income reported on the Merchandise Account bank/brokerage statements. Any discrepancies, if applicable, are enumerated below as findings along with an explanation from management for the differences.

Our findings as a result of these procedures are as follows:

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D. Fees, expenses, refunds and withdrawals

1. We traced total fees, expenses, refunds, and withdrawals on the Annual Reports for 20\_\_, to the total reported on the Merchandise Account bank/brokerage statements. Any discrepancies, if applicable, are enumerated below as findings along with an explanation from management for the differences.
2. We randomly selected, from the paid in full list/report, from each year, the greater of 10% of the number of contracts or 10 contracts involving withdrawals from the Merchandise Account bank/brokerage statements for 20\_\_. We traced all of the selected withdrawals from the Merchandise Fund to the client's documentation, and:
  - a. Verified that the amount withdrawn was calculated properly.
  - b. Verified that merchandise had been provided.

Our findings as a result of these procedures are as follows:

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E. Ending balances of Annual Reports

We traced the ending balances on the Annual Reports to the ending balances on the Merchandise Account bank/brokerage statements. Any discrepancies, if applicable, are enumerated below along with an explanation from management for the reconciling differences.

Our findings as a result of these procedures are as follows:

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F. Status of Prior Findings

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This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Annual Reports for the years ended \_\_\_\_\_ 20\_\_\_. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management of the Company and the South Carolina Perpetual Care Cemetery Board and is not intended to be, and should not be, used by anyone other than the specified parties.

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\_\_\_\_\_, South Carolina

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