



**Auditor of State
Betty Montgomery**

PICKAWAY COUNTY AGRICULTURAL SOCIETY
PICKAWAY COUNTY

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**Auditor of State
Betty Montgomery**

Pickaway County Agricultural Society
Pickaway County
415 Lancaster Pike
Circleville, Ohio 43113

To the Board of Directors:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your Society to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP.

Our Report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

A handwritten signature in cursive script that reads "Betty Montgomery".

Betty Montgomery
Auditor of State

April 11, 2006

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Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT

Pickaway County Agricultural Society
Pickaway County
415 Lancaster Pike
Circleville, Ohio 43113

To the Board of Directors:

We have audited the accompanying financial statement of the Pickaway County Agricultural Society, Pickaway County, Ohio, (the Society) as of and for the years ended November 30, 2004 and 2003. This financial statement is the responsibility of the Society's management. Our responsibility is to express an opinion on this financial statement based on our audit.

Except as discussed in the following paragraph, 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

Because of inadequacies in the Society's accounting records, we were unable to determine the completeness of rental receipts for 2004 or 2003 in the accompanying financial statement, nor were we able to satisfy ourselves as to those financial activities by other auditing procedures.

As described more fully in Note 1, the Society has prepared this financial statement using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statement of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Revisions to GAAP would require the Society to reformat its financial statement presentation and make other changes effective for the year ended November 30, 2004. While the Society does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to the new GAAP presentation requirements. The Auditor of State permits, but does not require governments to reformat their statements. The Society has elected not to reformat its statements. Since the Society does not use GAAP to measure financial statement amounts, the following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

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In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the year ended November 30, 2004 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Society as of November 30, 2004, or its changes in financial position for the year then ended.

Also, in our opinion, except the effect of adjustments, if any, as might have been determined to be necessary had rental receipts for 2004 and 2003 be susceptible to satisfactory audit test, the financial statement referred to above present fairly, in all material respects, the cash balances of the Pickaway County Agricultural Society, Pickaway County, Ohio, as of November 30, 2004 and November 30, 2003, and its cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The aforementioned revision to generally accepted accounting principles also requires the Society to include Management's Discussion and Analysis for the year ended November 30, 2004. The Society has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 11, 2006, on our consideration of the Society's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.



Betty Montgomery
Auditor of State

April 11, 2006

**PICKAWAY COUNTY AGRICULTURAL SOCIETY
PICKAWAY COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGE IN CASH BALANCE
FOR THE YEARS ENDED NOVEMBER 30, 2004 AND NOVEMBER 30, 2003**

	<u>2004</u>	<u>2003</u>
Operating Receipts:		
Admissions	\$146,091	\$128,979
Privilege Fees	24,760	22,122
Rentals	111,293	99,461
Sustaining and Entry Fees	44,825	42,830
Parimutuel Wagering Commission	7,490	6,030
Other Operating Receipts	<u>19,300</u>	<u>17,085</u>
 Total Operating Receipts	 <u>353,759</u>	 <u>316,507</u>
Operating Disbursements:		
Wages and Benefits	23,754	22,960
Utilities	39,377	42,221
Professional Services	63,135	63,775
Equipment and Grounds Maintenance	51,872	52,513
Race Purse	70,491	72,718
Senior Fair	4,325	3,755
Junior Fair	6,818	7,190
Advertising	9,110	7,643
Rent/Lease	7,501	6,762
Capital Outlay	34,425	22,690
Other Operating Disbursements	<u>66,032</u>	<u>56,516</u>
 Total Operating Disbursements	 <u>376,840</u>	 <u>358,743</u>
Excess (Deficiency) of Operating Receipts (Under) Operating Disbursements	 <u>(23,081)</u>	 <u>(42,236)</u>
Non-Operating Receipts (Disbursements) :		
State Support	32,797	35,254
County Support	12,222	13,179
Debt Service	(229)	(5,121)
Restricted Donations, Sponsorships & Promotions	8,060	2,500
Unrestricted Donation, Sponsorships & Promotions	1,505	20,176
Interest Income	<u>1,021</u>	<u>1,798</u>
 Net Non-Operating Receipts (Disbursements)	 <u>55,376</u>	 <u>67,786</u>
Excess of Receipts Over Disbursements	32,295	25,550
Cash Balance, Beginning of Year	<u>114,032</u>	<u>88,482</u>
 Cash Balance, End of Year	 <u><u>\$146,327</u></u>	 <u><u>\$114,032</u></u>

The notes to the financial statement are an integral part of this statement.

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**PICKAWAY COUNTY AGRICULTURAL SOCIETY
PICKAWAY COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
NOVEMBER 30, 2004 AND NOVEMBER 30, 2003**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Pickaway County Agricultural Society, Pickaway County, Ohio, (the Society) as a body corporate and politic. The Society is a county agricultural society corporation formed under Chapter 1711 of the Ohio Revised Code. The Society was founded in 1945 to operate an annual agricultural fair. The Society sponsors the week-long Pickaway County Fair during June. During the fair, harness races are held, culminating in the running of the Pickaway County Harness Racing Program. Pickaway County is not financially accountable for the Society. The Board of Directors manages the Society. The Board is made up of seventeen directors serving staggered three-year terms. Society members elect Board members from its membership. Members of the Society must be residents of Pickaway County and pay an annual membership fee to the Society.

Reporting Entity

The reporting entity includes all activity occurring on the fairgrounds. This includes the annual fair and harness racing during fair week. Other year round activities at the fairgrounds including facility rental, track and stall rental, and community events including flea markets. The reporting entity does not include any other activities or entities of Pickaway County, Ohio.

Notes 5 and 6, respectively, summarize the Junior Fair Board's and Junior Livestock Sale Committee's financial activity.

The Society's management believes this financial statement presents all activities for which the Society is financially accountable.

B. Basis of Accounting

This financial statement follows the accounting basis the Auditor of State prescribes or permits, which is similar to the cash receipts and disbursements basis of accounting. This basis recognizes receipts when received in cash rather than when earned, and disbursements when paid rather than when a liability is incurred.

This statement includes adequate disclosure of material matters, as the Auditor of State prescribe or permits.

C. Cash and Investments

The Society's accounting basis includes investments in its cash balances. Accordingly, this basis does not report investment purchases as disbursements or investment sales as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

D. Property, Plant, and Equipment

The Society's accounting basis records acquisitions of property, plant, and equipment as capital outlay disbursements when paid. The accompanying financial statements do not include these items as assets.

**PICKAWAY COUNTY AGRICULTURAL SOCIETY
PICKAWAY COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
NOVEMBER 30, 2004 AND NOVEMBER 30, 2003
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Restricted Support

Restricted support includes amounts that donors restrict for specific uses.

F. Income Tax Status

The Society is a not-for-profit organization, exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code. The Society is not a private foundation within the meaning of Section 509 (a). Contributions to the Society are deductible per Section 170(b)(1)(A)(v1). Management is unaware of any actions or events that would jeopardize the Society's tax status.

G. Race Purse

Pickaway County Harness stake races are held during the Pickaway County Fair. The Society pays all Sustaining and Entry fees and the required portion of the cash received from the Ohio Fairs Fund as Race Purse to winning horses.

Sustaining and Entry Fees

Horse owners and the Ohio Colt Racing Association pay fees to the Society to qualify horses for entry into stake races. They must make payment before a horse can participate in a stake race. The accompanying financial statements report these fees as Sustaining and Entry Fees.

Ohio Fairs Fund

The State of Ohio contributes money to the Society from the Ohio Fairs Fund to supplement the race purse. See Note 3 for additional information.

H. Pari-mutuel Wagering

A wagering system totals the amounts wagered and adjusts the payoff to reflect the relative amount bet on different horses and various odds. The total amount bet (also known as the "handle"), less commission, is paid to bettors in accordance with the payoffs, as the pari-mutuel wagering system determines. The Society contracts with a totalizer service to collect bets and provide the pari-mutuel wagering system.

Pari-mutuel wagering commission (the commission) is the Society's share of total pari-mutuel wagers after payment of amounts to winning bettors. The commission is determined by applying a statutory percentage to the total amount bet and is reflected in the accompanying financial statement as Pari-mutuel Wagering Commission. See Note 3 for additional information.

I. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The Society's basis of accounting does not report these amounts as liabilities.

**PICKAWAY COUNTY AGRICULTURAL SOCIETY
PICKAWAY COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
NOVEMBER 30, 2004 AND NOVEMBER 30, 2003
(Continued)**

2. CASH

The carrying amount of cash at November 30, 2004 and November 30, 2003 follows:

	2004	2003
Demand deposits	\$146,327	\$114,032
Total deposits	146,327	114,032

Deposits: The Federal Depository Insurance Corporation insures up to \$100,000 of the Society's bank balance. The remainder was uninsured and uncollateralized.

3. HORSE RACING

State Support Portion of Purse

The financial statements report Ohio Fairs Fund money in amount of \$25,350 and \$24,825 for the years ending November 30, 2004 and November 30, 2003, respectively, and is included within State Support.

Pari-mutuel Wagering

The Society does not record the Total Amount Bet or the Payoff to Bettors in the accompany financial statement, rather, it records the Pari-mutuel Wagering Commission (commission) which is the Society's share of total pari-mutuel wagers after paying winning bettors. The expenses of providing the pari-mutuel wagering system are called Tote Services, and these expenses are included in Professional Service Disbursements, State taxes, which are also paid from Pari-mutuel Wagering Commission, are reflected in Other Operating Disbursements, and the amount remaining is the Society's net portion.

	2004	2003
Total Amount Bet (Handle)	\$ 37,001	\$ 29,701
Less: Payoff to Bettors	(29,511)	(23,671)
Parimutuel Wagering Commission	7,490	6,030
Tote Service Set Up Fee	(200)	(200)
Tote Service Commission	(3,137)	(2,520)
State Tax	(1,015)	(791)
Society Portion	\$ 3,138	\$ 2,519

4. RISK MANAGEMENT

The Society does not provide any employee benefits to its employees, other than Workers Compensation through the State of Ohio workers compensation fund.

**PICKAWAY COUNTY AGRICULTURAL SOCIETY
PICKAWAY COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
NOVEMBER 30, 2004 AND NOVEMBER 30, 2003
(Continued)**

4. RISK MANAGEMENT (Continued)

The Pickaway County Commissioners provide general insurance coverage for all the buildings on the Pickaway County Fairgrounds pursuant to Ohio Revised Code § 1711.24. However, the Society belongs to the Public Entities Pool of Ohio ("PEP") a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. PEP is a member of the American Public Entity Excess Pool (APEEP). Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty Coverage

PEP retains casualty risks up to \$250,000 per claim, including loss adjustment expenses. PEP pays a percentage of its contributions to APEEP. APEEP reinsures claims exceeding \$250,000, up to \$1,750,000 per claim and \$5,000,000 in the aggregate per year. Governments can elect additional coverage, from \$2,000,000 to \$10,000,000 from the General Reinsurance Corporation.

If losses exhaust PEP's retained earnings, APEEP covers PEP losses up to \$5,000,000 per year, subject to a per-claim limit of \$2,000,000.

Property Coverage

PEP retains property risks, including automobile physical damage, up to \$100,000 on any specific loss in any one occurrence. The Travelers Indemnity Company reinsures losses exceeding \$100,000 up to \$500,000,000 per occurrence. APEEP's Guarantee Fund pays losses and loss adjustment expenses exceeding operating contributions.

The aforementioned casualty and property reinsurance agreements do not discharge PEP's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective local government.

Financial Position

PEP's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2004 and 2003:

<u>Casualty Coverage</u>	<u>2004</u>	<u>2003</u>
Assets	\$30,547,049	\$25,288,098
Liabilities	(16,989,918)	(12,872,985)
Retained earnings	<u>\$13,557,131</u>	<u>\$12,415,113</u>

<u>Property Coverage</u>	<u>2004</u>	<u>2003</u>
Assets	\$3,652,970	\$3,158,813
Liabilities	(544,771)	(792,061)
Retained earnings	<u>\$3,108,199</u>	<u>\$2,366,752</u>

**PICKAWAY COUNTY AGRICULTURAL SOCIETY
PICKAWAY COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
NOVEMBER 30, 2004 AND NOVEMBER 30, 2003
(Continued)**

5. JUNIOR FAIR BOARD

The Junior Fair Board, which is comprised of 4-H, FFA, Boy Scout, Girl Scout, and Farm Bureau Youth organization representatives, is responsible for the Junior Fair Division activities of the Pickaway County Fair. The Society disbursed \$6,818 in 2004 and \$7,190 in 2003 directly to the Junior Fair Board. These expenses are reflected as a disbursement in the accompanying financial statement as Junior Fair Disbursement. Pickaway County paid the Society \$100 in 2004 and 2003 to support Junior Club work. The Junior Fair Board accounts for its activities separately. These accompanying financial statements do not include this activity. The Junior Fair Board's financial activity for the years ended November 30, 2004 and November 30, 2003 follows:

	2004	2003
Beginning Cash Balance	\$ 15,289	\$ 17,489
Receipts	3,397	336
Disbursements	<u>(2,998)</u>	<u>(\$2,536)</u>
Ending Cash Balance	<u>\$ 15,688</u>	<u>\$ 15,289</u>

6. JUNIOR LIVESTOCK SALE COMMITTEE

The Junior Livestock Committee is a separate committee charged with running the Junior Livestock Auction. This auction is held during fair week. Children may sell their animals directly to market or through Pickaway County's auction. A commission is charged to cover auction costs. The Junior Livestock Committee retains this money. The accompanying financial statements do not include the Junior Livestock Committee's activities. The Junior Livestock Committee's financial activity for the years ended November 30, 2004 and November 30, 2003 follows:

	2004	2003
Beginning Cash Balance	\$ 3,580	\$ 3,446
Receipts	251,031	233,492
Disbursements	<u>(251,283)</u>	<u>(233,358)</u>
Ending Cash Balance	<u>\$ 3,328</u>	<u>\$ 3,580</u>

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**Auditor of State
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

Pickaway County Agricultural Society
Pickaway County
415 Lancaster Pike
Circleville, Ohio 43113

To the Board of Directors:

We have audited the financial statement of the Pickaway County Agricultural Society, Pickaway County, Ohio, (the Society) as of and for the years ended November 30, 2004 and November 30, 2003, and have issued our report thereon dated April 11, 2006, wherein we noted the Society follows accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. Our report was qualified because we were unable to determine the completeness over rental receipts for 2004 and 2003. Except as discussed in the preceding sentence, 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Society's internal control over financial reporting to determine our auditing procedures in order to express our opinion on the financial statement and not to opine on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Society's ability to record, process, summarize, and report financial data consistent with management's assertions in the financial statement. Reportable conditions are described in the accompanying schedule of findings as items 2004-001 and 2004-002.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered material weaknesses. We consider reportable condition 2004-001 listed above to be a material weakness. In a separate letter to the Society's management dated April 11, 2006, we reported other matters involving internal control over financial reporting which we did not deem reportable conditions.

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Compliance and Other Matters

As part of reasonably assuring whether the Society's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed an instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2004-003. In a separate letter to the Society's management dated April 11, 2006, we reported other matters related to noncompliance we deemed immaterial.

We intend this report solely for the information and use of the audit committee, management, and the Board of Directors. It is not intended for anyone other than these specified parties.



Betty Montgomery
Auditor of State

April 11, 2006

PICKAWAY COUNTY AGRICULTURAL SOCIETY
PICKAWAY COUNTY

SCHEDULE OF FINDINGS
NOVEMBER 30, 2004 AND NOVEMBER 30, 2003

FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

Finding Number	2004-001
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Reportable Condition/Material Weakness

Rentals

The Society enters into contracts with individuals for camping spaces, building rentals and flea market space rentals at the fairgrounds throughout the year. The Society does not utilize a map or support identifying the total number of spaces available for contract for flea markets and non-fair week camping. Contracts were not consistently utilized for building rentals and non-fair week camping space rentals. Contracts that were utilized were not pre-numbered. Additionally, duplicate receipts were not always utilized for rentals.

Pre-numbered contracts can provide assurance to the Society that all contracts entered into are accounted for. The lack of a map or support identifying the total number of spaces available for rent for the flea market and non-fair week camping could result in unused space, overbooking and/or irregularities to occur and not be detected in a timely manner. Failure to consistently utilize contracts could result in money being collected for rentals and not recorded.

We recommend the following:

- Pre-numbered contracts should be used for all building, storage, and camping rental contracts;
- Procedures should be established to determine that contracts are paid in full;
- A map designating the number of spaces available for contract for flea markets and non-fair should be prepared. A copy of the map could be used each year. As contracts are entered into and space is obligated, the map could be marked (by vendor) to document the respective space that has contracted.

Client's Response

All contracts and agreements are numbered in sequence effective December 2005;

- Building and Grounds contracts are paid in full prior to the event.
- Storage agreements are paid in full on the storage date
- Horse Barn contracts require 50% down at the beginning of November and the balance is paid in five (5) monthly payments at 10% of the original amount from December through April of the following year.
- There is a floor plan map used for Flea Market and the numbered receipts are shown on each person's space along with a notation, if electric service is required. Any time outside spaces are set up, there will be a note stating the number of extra spaces for that date.

PICKAWAY COUNTY AGRICULTURAL SOCIETY
PICKAWAY COUNTY

SCHEDULE OF FINDINGS
NOVEMBER 30, 2004 AND NOVEMBER 30, 2003
(Continued)

FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)

Finding Number	2004-002
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Reportable Condition

Cash Reconciliations

Reconciling cash is one of the most important controls instituted by management to assure the completeness and accuracy of cash transactions reflected in the financial statements. Monthly cash reconciliations and investigating unusual reconciling items should be performed by all entities regardless of their size or the number of financial transactions processed. By doing so, the entity can gain assurance as to the completeness and accuracy of the accounting records. Failure to prepare or monitor reconciliations could result in errors and omissions to occur and not be detected by management in a timely manner.

Bank reconciliations were not completed for September, October and November 2004. Additionally, bank reconciliations were not accurately completed for June, July and August of 2004. These reconciliations did not include all the activity outstanding as of the end of the month and resulted in the Society being out of balance as of November 30, 2004 by \$1,691.59.

We recommend the Board of Directors develop and implement procedures to ensure the accuracy, completeness and reasonableness of the bank reconciliations. Additionally any reconciling items should be identified including the difference noted above and should be disposed of in a timely manner.

Client's Response

A new bank account was set up with Fifth Third Bank November 21, 2005.

Finding Number	2004-003
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Noncompliance

Timely Depositing of Receipts

Ohio Rev. Code Section 9.38 states public money must be deposited with the Treasurer of the public office or to a designated depository on the business day following the day of receipt. Public money collected for other public offices must be deposited by the first business day of the week following the date of collection. If the amount of daily receipts does not exceed \$1,000 and the receipts can be safeguarded, public offices may adopt a policy permitting their officials who receive this money to hold until the next business day, but the deposit must be made no later than 3 business days after receiving it. If the public office is governed by a legislative authority only the legislative authority may adopt the policy. The policy must include provisions and procedures to safeguard the money during the intervening period. If the amount exceeds \$1,000 or a lesser amount cannot be safeguarded, the public official must then deposit the money on the next business day.

PICKAWAY COUNTY AGRICULTURAL SOCIETY
PICKAWAY COUNTY

SCHEDULE OF FINDINGS
NOVEMBER 30, 2004 AND NOVEMBER 30, 2003
(Continued)

FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)

Finding Number	2004-003 (Continued)
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Noncompliance (Continued)

Timely Depositing of Receipts (Continued)

The Society's secretary deposits funds received by the Society. However, during the audit period, 47% of the building/storage rental and 44% of the barn rental funds received were not deposited with the Society's financial institution within one business day. Additionally, the Society does not have a policy permitting money to be held longer than the next business day.

We recommend the Society deposit with the Treasurer, or the designated depository, in a timely manner to reduce the risk of loss or theft of Society assets.

Client's Response

Any amount \$1,000 and under are made within 72 hours.

**PICKAWAY COUNTY AGRICULTURAL SOCIETY
PICKAWAY COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
NOVEMBER 30, 2004 AND NOVEMBER 30, 2003**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2002-001	Failure to utilize pre-numbered contracts for camp site rentals.	No	Not corrected. Re-issued as part of reportable condition/material weakness 2004-001



**Auditor of State
Betty Montgomery**

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AGRICULTURAL SOCIETY

PICKAWAY COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JUNE 1, 2006**