



**Auditor of State  
Betty Montgomery**



**WARREN COUNTY AGRICULTURAL SOCIETY  
WARREN COUNTY**

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**Auditor of State  
Betty Montgomery**

Warren County Agricultural Society  
Warren County  
P.O. Box 58  
Lebanon, Ohio 45036

To the Board of Director's:

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 government 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

November 3, 2006

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## Auditor of State Betty Montgomery

### INDEPENDENT ACCOUNTANTS' REPORT

Warren County Agricultural Society  
Warren County  
P.O. Box 58  
Lebanon, Ohio 45036

To the Board of Directors:

We have audited the accompanying financial statements of the Warren County Agricultural Society, Warren County, Ohio (the Agricultural Society), as of and for the years ended November 30, 2005 and 2004. These financial statements are the responsibility of the Agricultural Society's management. Our responsibility is to express an opinion on these financial statements 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 statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. 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.

The accompanying financial statements present non-payroll disbursements in total only. The subsidiary ledgers and the supporting documentation for the non-payroll related expenditures were not classified according to the Uniform System of Accounting for Agricultural Societies.

As described more fully in Note 1, the Agricultural Society has prepared these financial statements 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 statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Revisions to GAAP would require the Agricultural Society to reformat its financial statement presentation and make other changes effective for the years ended November 30, 2005 and November 30, 2004. While the Agricultural 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 Agricultural Society has elected not to reformat its statements. Since the Agricultural 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.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended November 30, 2005 and 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 Agricultural Society as of November 30, 2005 and November 30, 2004, or its changes in financial position for the years then ended.

Also, in our opinion, except for the omission of non-payroll disbursement classifications in accordance with the Uniform System of Accounting for Agricultural Societies, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of Warren County Agricultural Society, as of November 30, 2005 and 2004, and its combined 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 Agricultural Society to include Management's Discussion and Analysis for the years ended November 30, 2005 and November 30, 2004. The Agricultural 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 November 3, 2006, on our consideration of the Agricultural 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

November 3, 2006



**WARREN COUNTY AGRICULTURAL SOCIETY  
WARREN COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND  
CHANGE IN CASH BALANCE  
FOR THE YEAR ENDED NOVEMBER 30, 2005**

<b>Operating Receipts:</b>	
Admissions	\$145,245
Privilege Fees	46,535
Rentals	531,643
Sustaining and Entry Fees	30,510
Parimutuel Wagering Commission	1,654
Other Operating Receipts	<u>69,716</u>
 Total Operating Receipts	 <u>825,303</u>
<b>Operating Disbursements:</b>	
Wages and Benefits	183,671
Other Operating Disbursements	<u>713,456</u>
 Total Operating Disbursements	 <u>897,127</u>
 Excess (Deficiency) of Operating Receipts Over (Under) Operating Disbursements	  <u>(71,824)</u>
<b>Non-Operating Receipts (Disbursements):</b>	
State Support	32,044
County Support	2,800
Debt Proceeds	45,000
Donations/Contributions	16,216
Investment Income	435
Debt Service	<u>(49,568)</u>
 Net Non-Operating Receipts (Disbursements)	 <u>46,927</u>
 Excess (Deficiency) of Receipts Over (Under) Disbursements	  <u>(24,897)</u>
 Cash Balance, Beginning of Year	 <u>54,639</u>
 <b>Cash Balance, End of Year</b>	 <b><u><u>\$29,742</u></u></b>

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

**WARREN COUNTY AGRICULTURAL SOCIETY  
WARREN COUNTY**

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

<b>Operating Receipts:</b>	
Admissions	\$165,575
Privilege Fees	49,098
Rentals	466,924
Sustaining and Entry Fees	32,730
Parimutuel Wagering Commission	2,074
Other Operating Receipts	<u>52,846</u>
 Total Operating Receipts	 <u>769,247</u>
<b>Operating Disbursements:</b>	
Wages and Benefits	197,094
Other Operating Disbursements	<u>622,967</u>
 Total Operating Disbursements	 <u>820,061</u>
 Excess (Deficiency) of Operating Receipts Over (Under) Operating Disbursements	  <u>(50,813)</u>
<b>Non-Operating Receipts (Disbursements):</b>	
State Support	33,982
County Support	2,800
Donations/Contributions	56,161
Investment Income	1,004
Debt Service	<u>(82,027)</u>
 Net Non-Operating Receipts (Disbursements)	 <u>11,921</u>
 Excess (Deficiency) of Receipts Over (Under) Disbursements	  (38,892)
 Cash Balance, Beginning of Year	 <u>93,531</u>
 <b>Cash Balance, End of Year</b>	 <b><u><u>\$54,639</u></u></b>

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

**WARREN COUNTY AGRICULTURAL SOCIETY  
WARREN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
NOVEMBER 30, 2005 AND 2004**

**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 Warren County Agricultural Society, (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 1853 to operate an annual agricultural fair. The Society sponsors the week-long Warren County Fair during July. During the fair, harness races are held, culminating in the running of the harness races. Warren County is not financially accountable for the Society. The Board of Directors manages the Society. The Board is made up of twelve directors serving staggered three-year terms. Society members elect Board members from its membership. Members of the Society must be residents of Warren 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, harness racing during fair week and simulcast relating to harness racing. Other year round activities at the fairgrounds including facility rental, track and stall rental, and community events including 4-H Horse Shows and 4-H Horse Camp. The reporting entity does not include any other activities or entities of Warren County, Ohio.

Notes 8 and 9, respectively, summarize the Junior Fair Board's and Junior Livestock Sale Committee's financial activity.

The Society's management believes these financial statements present 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 Deposits**

The Society's funds are deposited in a Money Fund Investment savings account with a local commercial bank. Interest earned is recognized and recorded when received.

**D. Budgetary Process**

The Board of Director's did not legally adopt a budget in 2004 and 2005.

**WARREN COUNTY AGRICULTURAL SOCIETY  
WARREN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
NOVEMBER 30, 2005 AND 2004  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**E. 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.

**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**

Stake races are held during the Warren 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, Lebanon Trotting Club, Inc., and Miami Valley Trotting Club, Inc. 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 statement 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 4 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.

**WARREN COUNTY AGRICULTURAL SOCIETY  
WARREN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
NOVEMBER 30, 2005 AND 2004  
(Continued)**

**2. CASH AND INVESTMENTS**

The carrying amount of cash and deposits at November 30, 2005 and 2004 follows:

	2005	2004
Demand Deposits	\$29,742	\$54,639

**Deposits:** The Federal Depository Insurance Corporation insures up to \$100,000 of the Society's bank balance.

**3. HORSE RACING**

State Support Portion of Purse

The financial statements report Ohio Fairs Fund money, received to supplement purse for the year ended November 30, 2005 and 2004 was \$32,044 and \$33,982 respectively, as 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.

	2005	2004
Total Amount Bet (Handle)	\$ 23,610	\$ 24,167
Less: Pay-Off to Bettors	(18,772)	(18,284)
Parimutuel Wagering Commission	4,838	5,883
Tote Service Set Up Fee	(450)	(300)
Tote Service Commission	(2,106)	(2,639)
State Tax	(628)	(870)
Society Portion	\$ 1,654	\$ 2,074

**WARREN COUNTY AGRICULTURAL SOCIETY  
WARREN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
NOVEMBER 30, 2005 AND 2004  
(Continued)**

**4. DEBT**

Debt outstanding at November 30, 2005 was as follows:

	<b>Principal</b>	<b>Interest Rate</b>
JCB Finance/Lease	\$ 775	19.26%
LCNB Electric Loan	38,139	7.00%
<b>Total</b>	<b>\$ 38,914</b>	

The JCB Finance bears an interest rate of 19.26% and is due to CIT Group/Equipment Financing, Inc. (dba JCB Finance). The note was entered into on January 14, 2001 and matures December 14, 2005. Proceeds of the note were used to purchase a loader.

The Electric Loan bears an interest rate of 7.00% and is due to the Lebanon Citizens National Bank. The note was entered into on May 5, 2005 and matures May 5, 2008. Proceeds of the note were used to upgrade electric system.

Amortization of the above debt is scheduled as follows:

<b>Year ending November 30:</b>	<b>JCB Finance</b>	<b>Electric Loan</b>	<b>Interest</b>	<b>Total</b>
2006	\$ 775	\$ 14,462	\$ 2,212	\$ 17,449
2007	-	15,508	1,166	16,674
2008	-	8,169	168	8,337
<b>Total</b>	<b>\$ 775</b>	<b>\$ 38,139</b>	<b>\$ 3,546</b>	<b>\$ 42,460</b>

**5. RISK MANAGEMENT**

The Warren County Commissioners provide general insurance coverage for all the buildings on the Warren County Fairgrounds pursuant to Ohio Revised Code § 1711.24. The Cincinnati Insurance Company provides general liability and vehicle insurance, with limits of \$500,000 and \$1,000,000 aggregate. Ohio Farmers Insurance Company provides crime coverage for employee dishonesty with limits of liability of \$20,000 with a \$500 deductible.

The Society provides workers compensation coverage on all employees through the State of Ohio workers compensation fund. Coverage is currently in effect through August 2006.

**WARREN COUNTY AGRICULTURAL SOCIETY  
WARREN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
NOVEMBER 30, 2005 AND 2004  
(Continued)**

**6. 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 Warren County Fair. According to financial statements prepared by the Society, the Society did not disburse any funds directly to the Junior Fair Board, however; they paid \$33,261 in 2005 and \$50,464 in 2004 directly to vendors to support Junior Fair activities. These expenses are reflected as a disbursement in the accompanying financial statement as Junior Fair Disbursement. Warren County paid the Society \$500 in 2005 and \$500 in 2004 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 year ended November 30, 2005 and November 30, 2004 follows:

	<b>2005</b>	<b>2004</b>
Beginning Cash Balance	\$ 2,638	\$ 1,071
Receipts	8,522	8,991
Disbursements	(7,195)	(7,424)
	\$ 3,965	\$ 2,638
Ending Cash balance		

**7. 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 the Warren County's auction. A commission of 2.5% percent on auction sales covers auction costs. The Junior Livestock Committee retains this money. The accompanying financial statement does not include the Junior Livestock Committee's activities. The Junior Livestock Committee's financial activity for the years ended 2005 and 2004 follows:

	<b>2005</b>	<b>2004</b>
Beginning Cash Balance	\$ 9,422	\$ 4,414
Receipts	354,351	352,296
Disbursements	(351,425)	(347,288)
Ending Cash balance	\$ 12,348	\$ 9,422

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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*

Warren County Agricultural Society  
Warren County  
P.O. Box 58  
Lebanon, Ohio 45036

To the Board of Directors:

We have audited the financial statements of the Society as of and for the year ended November 30, 2005 and November 30, 2004, and have issued our report thereon dated November 3, 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. We also noted the subsidiary ledgers and the supporting documentation for the non-payroll related expenditures were not classified according to the Uniform System of Accounting for Agricultural Societies. 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*. 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 to express our opinion on the financial statements 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 statements. Reportable conditions are described in the accompanying schedule of findings as items 2005-001 to 2005-004.

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 2005-001 listed above to be a material weakness. In a separate letter to the Society's management dated November 3, 2006, we reported other matters involving internal control over financial reporting which we did not deem reportable condition.

### Compliance

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 2005-001. In a separate letter to the Society's management dated November 3, 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 Board of Directors. It is not intended for anyone other than these specified parties.



**Betty Montgomery**  
Auditor of State

November 3, 2006

**WARREN COUNTY AGRICULTURAL SOCIETY  
WARREN COUNTY**

**SCHEDULE OF FINDINGS  
NOVEMBER 30, 2005 AND 2004**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**FINDING NUMBER 2005-001**

**Non Compliance/Material Weakness-Disbursements**

Ohio Administrative Code, Section 117-2-02 (A) states, All local public offices shall maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets (and liabilities, if generally accepted accounting principles apply), document compliance with finance-related legal and contractual requirements and prepare financial statements required by rule 117-2-03 of the Administrative Code. Also, Ohio Administrative Code, Section 117-10-01 (B) states, each county agricultural society and independent agricultural society shall, for financial reporting and accounting purposes: Record and report all financial transactions in accordance with appendix A of the auditor of state manual, "Uniform System of Accounting for Agricultural Societies."

The Warren County Agricultural Society does not consistently post disbursements using the Chart of Accounts prescribed for Agricultural Societies by the Auditor of State.

During our test of expenditures, we noted that seventy three percent (73%) of the expenditures selected were not properly classified per the Chart of Accounts. We also noted that the expenditure ledger did not tie to the financial statements by expenditure category.

We recommend the Warren County Agricultural Society follow the prescribed Chart of Account to ensure accurate reporting of the annual financial statements.

**Officials' Response:**

We did not receive a response from Officials on this finding

**FINDING NUMBER 2005-002**

**Reportable Condition – Reconciliations**

Reconciliations are an effective tool to help management determine the completeness of recorded transactions, as well as, ensure that all recoded transactions have been deposited with the financial institution.

The Society did not prepare complete or accurate reconciliations between the bank balance and the Society's fund balances during the audit period. We noted that the Society's cash reconciliations do not properly reconcile the fund balance to the bank balance, because prior year's audit adjustments were not correctly posted to the Society's fund balance.

Inaccurate reconciliations can cause fund balances to be overstated or understated. We recommend the Society properly reconcile the bank account. The reconciled checking account balance (bank balance less outstanding checks plus deposits in transit) should equal the amount of the total fund balance. Any variances should be immediately investigated and justified. We also recommend that a Board member review and sign off on the reconciliations indicating approval and ensuring the timeliness of reconciliations.

**Officials' Response:**

We did not receive a response from Officials on this finding.

### **FINDING NUMBER 2005-003**

#### **Reportable Condition- Payroll**

When designing the public office's system of internal control and the specific control activities, management should:

- Ensure that accounting records are properly designed.
- Ensure adequate security of assets and records.
- Verify the existence and valuation of assets and liabilities and periodically reconcile them to the accounting records.
- Ensure the collection and compilation of the data needed for the timely preparation of financial statements.
- Monitor activities performed by service organizations.

The Society has not established effective procedures to ensure the accuracy of payroll disbursements. The Society does not review payroll data submitted from the service organization. The Society had the following deficiencies in their payroll system:

- There is no pay scale written to ensure that each employee is paid the correct rate;
- Rates per the personnel file does not always agree to the ADP pay reports;
- All employee files do not contain employee withholding forms;

The lack of formal payroll policies can result in the misstatement of payroll expenditures and inaccuracy payroll records. We recommend the Society adopt the above policies to ensure accuracy in payroll processing.

#### **Officials' Response:**

We did not receive a response from Officials on this finding.

### **FINDING NUMBER 2005-004**

#### **Reportable Condition – Rental/Privilege Receipts**

All local public offices shall maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets, document compliance with finance-related legal and contractual requirements and prepare financial statements.

The Society did not properly account for all Rental/Privilege Receipts during 2005 and 2004. We noted the following conditions relating to receipts:

- The Society did not have separate receipts for daily cash collected for Rental/Privilege and were combined with other daily fair collections;
- The Society did not track cash collected for rental/privilege by deposit slip;

**FINDING NUMBER 2005-004  
(Continued)**

- The deposit slips did not indicate receipt number to support amounts deposited.

In order to strengthen internal controls over the receipting process, we recommend the Society implement the following procedures;

- Maintain separate daily cash receipts for rental and privilege receipts collected each day;
- Write or maintain corresponding receipt number for each rental receipt on the deposit slip to properly document cash collected for rental receipts.

**Officials' Response:**

We did not receive a response from Officials on this finding.

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**WARREN COUNTY AGRICULTURAL SOCIETY  
WARREN COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
NOVEMBER 30, 2005 AND 2004**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain:</i></b>
2003-001	Reportable Condition Not properly accounting for receipts	No	Repeated as 2005-004
2003-002	ORC 9.38 Not timely depositing receipts with the treasurer of the public office	Yes	
2003-003	Reportable Condition Not properly reconciling with bank	No	Repeated as 2005-002
2003-004 & 2003-005	Reportable Condition Lack of formal payroll policies/employee files	No	Repeated as 2005-003







**Auditor of State  
Betty Montgomery**

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**AGRICULTURAL SOCIETY**

**WARREN 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  
DECEMBER 12, 2006**