

ATTICA INDEPENDENT AGRICULTURAL SOCIETY

SENECA COUNTY, OHIO

REGULAR AUDIT

For the Years Ended November 30, 2020 and 2019





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Columbus, Ohio 43215
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(800) 282-0370

Board of Directors
Attica Independent Agricultural Society
15127 East Township Road 12
Attica, Ohio 44807

We have reviewed the *Independent Auditor's Report* of Attica Independent Agricultural Society, Seneca County, prepared by Charles E. Harris & Associates, Inc., for the audit period December 1, 2018 through November 30, 2020. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Attica Independent Agricultural Society is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

May 24, 2021

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**ATTICA INDEPENDENT AGRICULTURAL SOCIETY
 SENECA COUNTY
 Regular Audit
 For the years ended November 30, 2020 and 2019**

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INDEPENDENT AUDITOR'S REPORT

Attica Independent Agricultural Society
Seneca County
15127 East Township Road 12
P.O. Box 433
Attica, Ohio 44807

To the Members of the Board:

Report on the Financial Statements

We have audited the accompanying financial statements of the cash balances, receipts and disbursements, and related notes of the Attica Independent Agricultural Society, Seneca County, Ohio (the Society), as of and for the years ended November 30, 2020 and 2019.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Society's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as our evaluation of the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2 of the financial statements, the Society prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the Society does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Society as of November 30, 2020 and 2019, and the respective changes in financial position thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

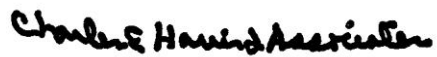
In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements, and related notes of the Attica Independent Agricultural Society as of November 30, 2020 and 2019, for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 2.

Emphasis of Matter

As discussed in Note 10 to the 2020 financial statements and Note 9 to the 2019 financial statements, the financial impact of COVID-19 and ensuing emergency measures will impact subsequent periods of the Society. We did not modify our opinions regarding this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 23, 2021, on our consideration of the Society's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Society's internal control over financial reporting and compliance.



Charles E. Harris & Associates, Inc.
April 23, 2021

Attica Independent Fair Agricultural Society
Seneca County
Statement of Receipts, Disbursements and
Change in Fund Balance (Regulatory Cash Basis)
For the Year Ended November 30, 2020

Operating Receipts	
Admissions	\$ 100
Privilege Fees	2,750
Rentals	62,877
Sustaining and Entry Fees	87,660
Other Operating Receipts	<u>71,870</u>
<i>Total Operating Receipts</i>	<u>225,257</u>
Operating Disbursements	
Contractual Services	10,650
Utilities	23,966
Professional Services	25,374
Equipment and Grounds Maintenance	21,263
Property and Rent Services	12,498
Race Purse	88,948
Senior Fair	116
Junior Fair	5,333
Capital Outlay	6,000
Other Operating Disbursements	<u>92,864</u>
<i>Total Operating Disbursements</i>	<u>287,012</u>
<i>Excess (Deficiency) of Operating Receipts</i> <i>Over (Under) Operating Disbursements</i>	<u>(61,755)</u>
Non-Operating Receipts (Disbursements)	
State Support	13,805
Local Support	800
Donations/Contributions	109,244
Investment Income	47
Debt Service	<u>(48,063)</u>
<i>Net Non-Operating Receipts (Disbursements)</i>	<u>75,833</u>
<i>Excess (Deficiency) of Receipts Over (Under) Disbursements</i>	14,078
Cash Balance, Beginning of Year	<u>61,447</u>
Cash Balance, End of Year	<u><u>\$ 75,525</u></u>

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

Attica Independent Agricultural Society
Seneca County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2020

Note 1 – Reporting Entity

The Attica Independent Agricultural Society of (the Society), Seneca County, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Society is an independent agricultural society corporation formed under Chapter 1711 of the Ohio Revised Code. The Society was founded in 1876 to operate an annual agricultural fair. The Society sponsors the 5-day long Attica Independent Fair during August. During the fair, harness races are held, culminating in the running of the Attica Fair Horse Races. Seneca County is not financially accountable for the Society. The Board of Directors manages the Society. The Board is made up of 16 directors serving staggered three-year terms. Society members elect Board members from its membership. Members of the Society must be residents of Seneca County and pay an annual membership fee to the Society.

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 and other year-round activities at the fairgrounds including facility rental and track and stall rental. The reporting entity does not include any other activities or entities of Seneca County, Ohio.

Notes 7 and 8, respectively, summarize the Junior Fair Board's and Junior Livestock Sale Committee's financial activity.

Public Entity Risk Pools

The Society participates in a public entity risk pool (PEP Ohio). Note 5 to the financial statements provides additional information for this entity.

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The Society's financial statement consists of a statement of receipts, disbursements and changes in fund balances (regulatory cash basis).

Basis of Accounting

This financial statement follows the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

This statement includes adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

Attica Independent Agricultural Society
Seneca County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2020

Note 2 – Summary of Significant Accounting Policies – (continued)

Deposits and Investments

The Society's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

Capital Assets

The Society records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statement does not report these items as assets.

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.

Race Purse

Harness stake races are held during the Attica Independent 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 Harness Horse 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 statement reports 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.

Note 3 – Deposits and Investments

The Society maintains a deposits and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at November 30 was as follows:

	2020
Demand Deposits	<u>\$75,525</u>

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation.

Attica Independent Agricultural Society
Seneca County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2020

Note 4 – Horse Racing

State Support Portion of Purse

The financial statement reports Ohio Fairs Fund money, received to supplement purse for the fiscal year ended November 30, 2020, in the amount of \$9,739 as State Support.

Note 5 – Risk Management

Risk Pool Membership

The Society is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the Society’s policy. The Pool covers the following risks:

- General liability and casualty
- Public official’s liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31 (latest available):

	<u>2019</u>
Cash and investments	\$ 38,432,610
Actuarial liabilities	\$14,705,917

Note 6 – Debt

Debt outstanding at November 30, 2020, was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Promissory Note - Raise the Roof	\$65,395	3.02%
Promissory Note - Operating Loan	1,000	4.00%
Total	<u>\$66,395</u>	

The Raise the Roof promissory note bears a current interest rate of 3.02% and is due to Sutton Bank. The note was entered into on September 9, 2014 and will mature on April 1, 2025. Proceeds of the note were used to build a new building for the Junior Fair show arena and hog building.

Attica Independent Agricultural Society
Seneca County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2020

Note 6 – Debt - (continued)

The Operating Loan promissory note bears a current interest rate of 4.00% and is due to Sutton Bank. The original note was entered into on April 17, 2018 with a rate of 3.25%. The current operating note was entered into on April 17, 2020 and will mature on April 17, 2021. Proceeds of the note were used to facilitate operations of the fairgrounds.

Amortization of the above debt, excluding interest is scheduled as follows:

Fiscal Year Ending November 30:	Raise the Roof	Operating Loan	Total
2021	\$16,250	\$1,000	\$17,250
2022	16,250	0	16,250
2023	16,250	0	16,250
2024	16,250	0	16,250
2025	395	0	395
	<u>\$65,395</u>	<u>\$1,000</u>	<u>\$66,395</u>

Note 7 – Junior Fair Board

The Junior Fair Board, which is composed of 4-H, FFA, Boy Scout, Girl Scout, and Farm Bureau Youth organization representatives, is responsible for the Junior Fair Division activities of the Attica Independent Agricultural Society. The Society disbursed \$2,746 directly to vendors to support Junior Fair activities. These expenses are reflected as a disbursement in the accompanying financial statement as Junior Fair Disbursement. The Junior Fair Board accounts for its activities separately. The accompanying financial statement does not include this activity. The Junior Fair Board’s financial activity for the fiscal year ended November 30, 2020, follows:

	2020
Beginning Cash Balance	\$ 9,433
Receipts	11,229
Disbursements	(8,906)
Ending Cash Balance	\$ 11,756

Note 8 – 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 Attica Junior Fair Livestock auction. A commission of 4% 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 fiscal year ended November 30, 2020, follows:

Attica Independent Agricultural Society
Seneca County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2020

Note 8 – Junior Livestock Sale Committee – (continued)

	<u>2020</u>
Beginning Cash Balance	\$28,836
Receipts	233,765
Disbursements	<u>(221,013)</u>
Total Cash Balance	<u>\$41,588</u>
Certificate of Deposit (CD)	<u>2,039</u>
Ending Cash and CD Balance	<u><u>\$43,627</u></u>

Note 9 – Related Party Transactions

A Board member is a part owner of a company from which the Society acquired hand sanitizer stations and disinfectants during the year. The Society paid \$2,504 for this purchase.

Note 10 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Society. In addition, the impact on the Society's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

Attica Independent Agricultural Society
Seneca County
Statement of Receipts, Disbursements and
Change in Fund Balance (Regulatory Cash Basis)
For the Year Ended November 30, 2019

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Operating Receipts	
Admissions	\$ 47,888
Privilege Fees	5,675
Rentals	77,076
Sustaining and Entry Fees	83,369
Other Operating Receipts	<u>54,273</u>
<i>Total Operating Receipts</i>	<u>268,281</u>
 Operating Disbursements	
Contractual Services	10,650
Utilities	32,644
Professional Services	69,364
Equipment and Grounds Maintenance	9,570
Property and Rent Services	13,968
Race Purse	84,330
Senior Fair	2,445
Junior Fair	6,796
Capital Outlay	16,000
Other Operating Disbursements	<u>111,835</u>
<i>Total Operating Disbursements</i>	<u>357,602</u>
 <i>Excess (Deficiency) of Operating Receipts</i> <i>Over (Under) Operating Disbursements</i>	 <u>(89,321)</u>
 Non-Operating Receipts (Disbursements)	
State Support	14,101
Local Support	5,800
Donations/Contributions	104,681
Investment Income	67
Debt Service	<u>(47,708)</u>
 <i>Net Non-Operating Receipts (Disbursements)</i>	 <u>76,941</u>
 <i>Excess (Deficiency) of Receipts Over (Under) Disbursements</i>	 (12,380)
 Cash Balance, Beginning of Year	 <u>73,827</u>
 Cash Balance, End of Year	 <u><u>\$ 61,447</u></u>

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

Attica Independent Agricultural Society
Seneca County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2019

Note 1 – Reporting Entity

The Attica Independent Agricultural Society of (the Society), Seneca County, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Society is a independent agricultural society corporation formed under Chapter 1711 of the Ohio Revised Code. The Society was founded in 1876 to operate an annual agricultural fair. The Society sponsors the 5-day long Attica Independent Fair during August. During the fair, harness races are held, culminating in the running of the Attica Fair Horse Races. Seneca County is not financially accountable for the Society. The Board of Directors manages the Society. The Board is made up of 16 directors serving staggered three-year terms. Society members elect Board members from its membership. Members of the Society must be residents of Seneca County and pay an annual membership fee to the Society.

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 and other year-round activities at the fairgrounds including facility rental and track and stall rental. The reporting entity does not include any other activities or entities of Seneca County, Ohio.

Notes 7 and 8, respectively, summarize the Junior Fair Board's and Junior Livestock Sale Committee's financial activity.

Public Entity Risk Pools

The Society participates in a public entity risk pool (PEP Ohio). Note 5 to the financial statements provides additional information for this entity.

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The Society's financial statement consists of a statement of receipts, disbursements and changes in fund balances (regulatory cash basis).

Basis of Accounting

This financial statement follows the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

This statement includes adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

Attica Independent Agricultural Society
Seneca County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2019

Note 2 – Summary of Significant Accounting Policies – (continued)

Deposits and Investments

The Society's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

Capital Assets

The Society records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statement does not report these items as assets.

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.

Race Purse

Harness stake races are held during the Attica Independent 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 Harness Horse 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 statement reports 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.

Note 3 – Deposits and Investments

The Society maintains a deposits and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at November 30 was as follows:

	<u>2019</u>
Demand Deposits	<u>\$61,447</u>

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation.

Attica Independent Agricultural Society
Seneca County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2019

Note 4 – Horse Racing

State Support Portion of Purse

The financial statement reports Ohio Fairs Fund money, received to supplement purse for the fiscal year ended November 30, 2019, in the amount of \$9,969 as State Support.

Note 5 – Risk Management

Risk Pool Membership

The Society is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the Society’s policy. The Pool covers the following risks:

- General liability and casualty
- Public official’s liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31:

	<u>2019</u>
Cash and investments	\$ 38,432,610
Actuarial liabilities	\$14,705,917

Note 6 – Debt

Debt outstanding at November 30, 2019, was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Promissory Note - Raise the Roof	\$84,449	3.02%
Promissory Note - Grant Match	11,438	3.50%
Promissory Note - Operating Loan	<u>15,000</u>	3.25%
Total	<u>\$110,887</u>	

The Raise the Roof promissory note bears a current interest rate of 3.02% and is due to Sutton Bank. The note was entered into on September 9, 2014 and will mature on April 1, 2025. Proceeds of the note were used to build a new building for the Junior Fair show arena and hog building.

Attica Independent Agricultural Society
Seneca County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2019

Note 6 – Debt - (continued)

The Grant Match promissory note bears a current interest rate of 3.50% and is due to Sutton Bank. The note was entered into on May 3, 2017 and will mature on December 29, 2019. Proceeds of the note were used to make improvements on the grounds.

The Operating Loan promissory note bears a current interest rate of 3.25% and is due to Sutton Bank. The note was entered into on April 17, 2018 and will mature on April 17, 2020. Proceeds of the note were used to facilitate operations of the fairgrounds.

Amortization of the above debt, excluding interest is scheduled as follows:

	Fiscal Year Ending November 30	Match Grant	Operating Loan	Total
2020	\$16,250	\$11,438	\$15,000	\$42,688
2021	16,250	-	-	16,250
2022	16,250	-	-	16,250
2023	16,250	-	-	16,250
2024	16,250	-	-	16,250
2025	3,199	-	-	3,199
	<u>\$84,449</u>	<u>\$11,438</u>	<u>\$15,000</u>	<u>\$110,887</u>

Note 7 – Junior Fair Board

The Junior Fair Board, which is composed of 4-H, FFA, Boy Scout, Girl Scout, and Farm Bureau Youth organization representatives, is responsible for the Junior Fair Division activities of the Attica Independent Agricultural Society. The Society disbursed \$3,627 directly to vendors to support Junior Fair activities. These expenses are reflected as a disbursement in the accompanying financial statement as Junior Fair Disbursement. The Junior Fair Board accounts for its activities separately. The accompanying financial statement does not include this activity. The Junior Fair Board's financial activity for the fiscal year ended November 30, 2019, follows:

	2019
Beginning Cash Balance	\$ 8,287
Receipts	12,099
Disbursements	(10,953)
Ending Cash Balance	\$ 9,433

Attica Independent Agricultural Society
Seneca County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2019

Note 8 – 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 Attica Junior Fair Livestock auction. A commission of 4% 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 fiscal year ended November 30, 2019, follows:

	<u>2019</u>
Beginning Cash Balance	\$38,359
Receipts	226,546
Disbursements	<u>(236,069)</u>
Total Cash Balance	<u>\$28,836</u>
Certificate of Deposit (CD)	<u>2,034</u>
Ending Cash and CD Balance	<u><u>\$30,870</u></u>

Note 9 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Society. In addition, the impact on the Society's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

INDEPENDENT AUDITOR'S 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*

Attica Independent Agricultural Society
Seneca County
15127 Township Road 12
P.O. Box 433
Attica, Ohio 44807

To the Members of the Board:

We have audited, in accordance with the 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, the financial statements of the cash balances, receipts and disbursements of the Attica Independent Agricultural Society, Seneca County, Ohio (the Society) as of and for the years ended November 30, 2020 and 2019, and the related notes to the financial statements and have issued our report thereon dated April 23, 2021, wherein we noted the Society followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. We also noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Society.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Society's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 Society's internal control. Accordingly, we do not express an opinion on the effectiveness of the Society's internal control.

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 Society's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.


Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Society's financial statements are free from 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*.

However, we noted a certain matter not requiring inclusion in this report that we reported to the Society's management in a separate letter dated April 23, 2021.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Society's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Society's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Charles E. Harris & Associates, Inc.
April 23, 2021

ATTICA INDEPENDENT AGRICULTURAL SOCIETY
 SENECA COUNTY, OHIO
 SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS – Prepared by Management
 November 30, 2020 and 2019

FINDING NUMBER	FUNDING SUMMARY	STATUS	ADDITIONAL INFORMATION
2018-001	Material Weakness – Financial Reporting	Partially corrected	Refer to the management letter

OHIO AUDITOR OF STATE KEITH FABER



ATTICA INDEPENDENT AGRICULTURAL SOCIETY

SENECA COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 6/3/2021

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov