



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER



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Forest Community Improvement Corporation  
Hardin County  
118 E. Lima Street, P.O. Box 39  
Forest, OH 45843

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Forest Community Improvement Corporation, Hardin County (the Corporation) for the years ended December 31, 2018 and 2017.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code Section 117.11(A). Because our procedures were not designed to opine on the Corporation's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Corporation's financial statements, transactions or balances for the years ended December 31, 2018 and 2017.

The Corporation's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code Section 117.11(A) is to examine, analyze and inspect these records and documents.

Based on the results of our procedures, we found the following significant compliance issue to report.

## Current Year Observation

1. **Ohio Rev. Code § 1724.05**, requires, in part, that each community improvement corporation shall prepare annual financial reports that are prepared according to generally accepted accounting principles (GAAP). The financial statements shall be filed with the auditor of state within one hundred twenty days following the last day of the corporation's fiscal year, unless the auditor of state extends the deadline.

The Corporation filed the 2018 financial statements on April 15, 2019, and filed the 2017 financial statements on February 21, 2018. The financial statements filed for both years included a statement of financial position, a statement of activities, and notes to the financial statements. However, the statement of activities did not include opening and ending balances. The notes to the financial statements indicated the financial statements had been prepared on the cash basis. The Corporation subsequently refiled the 2018 and 2017 financial statements on May 31, 2019. The refiled financial statements included opening and ending balances and a statements of cash flows for each year. The notes to the re-filed statements indicated that the statements had been prepared on the cash basis.

The Corporation should file GAAP basis financial statements that are complete and that include all required GAAP note disclosures. The financial statements should be filed within one hundred twenty days of the fiscal year. If the Corporation would elect to file cash basis financial statements, Ohio Rev. Code §117.38 states entities filing on a cash-basis must file annual reports with the Auditor of State within 60 days of the fiscal year-end.

**Current Status of Matters Reported in our Prior Engagement**

2. In addition to the matter reported above, our prior audit for the years ended December 31, 2016 and 2015 reported that a bank to book reconciliation was not prepared at December 31, 2016. As a result there was an unexplained variance of \$34.16 between the balance on the financial statements and on the bank statement. We did not observe this issue for the current audit since a bank to book reconciliation was prepared at December 31, 2018.



Keith Faber  
Auditor of State  
Columbus, Ohio

June 19, 2019

OHIO AUDITOR OF STATE  
**KEITH FABER**



**FOREST COMMUNITY IMPROVEMENT CORPORATION**

**HARDIN 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  
JULY 2, 2019**