



**Auditor of State  
Betty Montgomery**



PAULDING COUNTY AGRICULTURAL SOCIETY

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**Auditor of State  
Betty Montgomery**

Paulding County Agricultural Society  
P.O. Box 222  
Paulding, Ohio 45879-0222

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 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

June 21, 2005

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**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Paulding County Agricultural Society  
P.O. Box 222  
Paulding, Ohio 45879-0222

To the Board of Directors:

We have audited the accompanying financial statements of the Paulding County Agricultural Society, (the Society) as of and for the years ended November 30, 2004 and 2003. These financial statements are the responsibility of the 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 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.

We were unable to obtain sufficient records that documented admission receipts for the years ended December 31, 2004 and 2003. We were unable to perform procedures to satisfy ourselves that all revenues received were recorded in the accounting records. Admission revenues represent 12% and 9% of total revenues for the years ended December 31, 2004 and 2003, respectively.

As described more fully in Note 1, the 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 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 this 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 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 their changes in financial position for the year then ended.

Also, in our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to examine certain information regarding admission receipts, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Paulding County Agricultural Society, as of November 30, 2004 and 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 June 21, 2005, 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

June 21, 2005



**PAULDING COUNTY AGRICULTURAL SOCIETY**  
**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND**  
**CHANGE IN CASH BALANCES**  
**FOR THE YEARS ENDING NOVEMBER 30, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b>Operating Receipts:</b>		
Admissions	\$35,737	\$23,370
Privilege Fees	7,472	10,825
Rentals	15,226	9,640
Sustaining and Entry Fees	13,941	17,835
Contest Fees	4,251	3,677
Pari-mutuel Wagering Commission	2,533	3,026
Other Operating Receipts	<u>8,526</u>	<u>3,806</u>
Total Operating Receipts	<u>87,686</u>	<u>72,179</u>
<b>Operating Disbursements:</b>		
Wages and Benefits	1,131	1,206
Administrative	465	3,093
Supplies	4,490	6,307
Utilities	16,523	19,120
Professional Services	12,775	17,751
Equipment and Grounds Maintenance	5,090	4,030
Race Purse	48,531	62,145
Race Expenses	15,396	13,225
Advertising	2,916	4,855
Repairs	7,906	280
Insurance	7,662	10,689
Rental Expenses	4,313	4,595
Debt Service	5,393	4,288
Senior Fair	4,707	4,929
Junior Fair	137,942	110,027
Other Fair Expenses	2,493	133
Contest Expenses	<u>3,300</u>	<u>          </u>
Total Operating Disbursements	<u>281,033</u>	<u>266,673</u>
Excess of Operating Disbursements Over Operating Receipts	<u>(193,347)</u>	<u>(194,494)</u>
<b>Non-Operating Receipts (Disbursements):</b>		
State Support	50,732	54,647
County Support	17,000	18,000
Restricted Donations/Contributions	140,274	104,295
Unrestricted Donations/Contributions	2,702	10,071
Investment Income	4	327
Other Non-Operating Disbursements	<u>          </u>	<u>(550)</u>
Net Non-Operating Receipts/(Disbursements)	<u>210,712</u>	<u>186,790</u>
Excess of Receipts Over/(Under) Disbursements	17,365	(7,704)
Cash Balance, Beginning of Year	<u>5,790</u>	<u>13,494</u>
<b>Cash Balance, End of Year</b>	<u><b>\$23,155</b></u>	<u><b>\$5,790</b></u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

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# PAULDING COUNTY AGRICULTURAL SOCIETY

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

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Description of the Entity

The Paulding County Agricultural Society (the Society) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Society is a county agricultural society corporation formed under Chapter 1711 of the Ohio Revised Code. The Society was founded in 1860 to direct the operation of an annual agricultural fair. The Society sponsors the week-long Paulding County Fair during July. During the fair, harness races are held. Paulding County is not financially accountable for the Society. The responsibility for management of the affairs of the Society is vested in the Board of Directors. The Board is made up of twenty-three directors serving staggered three-year terms, elected from the membership of the Society. Members of the Society must be residents of Paulding 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. The reporting entity does not include any other activities or entities of Paulding County, Ohio.

The financial activity of the Junior Fair Board is summarized in Note 6. The Junior Livestock Sale Committee activity is included in the financial statement.

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 basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred.

This statement includes adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

#### C. Property, Plant, and Equipment

Acquisitions of property, plant, and equipment are recorded as capital outlay disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

#### D. Restricted Support

Restricted support includes amounts that are required by the donor to be set aside for specific uses.

PAULDING COUNTY AGRICULTURAL SOCIETY

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

**E. Income Tax Status**

The Society is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Society has also been classified as an entity that is not a private foundation within the meaning of Section 509 (a) and qualifies for deductible contributions as provided in Section 170(b)(1)(A)(v1). Management is not aware of any actions or events that would jeopardize the Society's tax status.

**F. Race Purse**

Northwestern Ohio Colt stake races are held during the Paulding 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 Paulding County Horseman's 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 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.

**G. 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.

**2. CASH AND INVESTMENTS**

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

	2004	2003
Demand deposits	<u>\$23,155</u>	<u>\$5,790</u>

The bank balances were covered by Federal Depository Insurance Corporation (FDIC)

**PAULDING COUNTY AGRICULTURAL SOCIETY**

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

**3. HORSE RACING**

State Support Portion of Purse

The financial statements report Ohio Fairs Fund money, received to supplement purse for the years ending November 30, 2004 and 2003 were \$32,716 and \$29,904, as State Support.

Pari-mutuel Wagering

The Society does not record the Total Amount Bet or the Payoff to Bettors in the accompanying 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 Race Expenses, and the amount remaining is the Society's net portion.

	<u>2004</u>	<u>2003</u>
Total Amount Bet (Handle)	\$ 12,548	\$ 14,756
Less: Payoff to Bettors	(10,015)	(11,730)
Parimutuel Wagering Commission	<u>2,533</u>	<u>3,026</u>
Tote Service Set Up Fee	(600)	(900)
Tote Service Commission	(1,116)	(1,353)
State Tax	(339)	(435)
Society Portion	<u>\$ 478</u>	<u>\$ 338</u>

**4. DEBT**

Debt outstanding at November 30, 2004 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Bank Loan	\$17,634	6.00%
County Loan	<u>2,930</u>	2.97%
Total	<u>\$20,564</u>	

The \$17,634 bank loan bears an interest rate of 6.45 percent and is due to the First Federal Bank. The loan is a continuation of the Global Financial L.L.C. loan, which matured on March 20, 2004. The Society is to make 60 payments of \$368.13 until the loan is paid in full.

Paulding County loaned the Society \$10,160 on March 4, 1998 for expenses. The loan from the County shall be paid back to the County at amounts determined by the Society each year plus interest at a rate based upon the annual investment rate of the County. The interest rate applicable at November 30 2004 is 2.97%.

Amortization of the above debt is scheduled as follows:

**PAULDING COUNTY AGRICULTURAL SOCIETY**

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

Year ending November 30:	Bank Loan	County Loan	Total
2005	\$ 4,418	\$ 3,017	\$ 7,435
2006	4,418		4,418
2007	4,418		4,418
2008	4,418		4,418
2009	1,841		1,841
Total	<u>\$ 19,513</u>	<u>\$ 3,017</u>	<u>\$ 22,530</u>

**5. RISK MANAGEMENT**

The Paulding County Commissioners provide general insurance coverage for all of the buildings on the Paulding County Fairgrounds pursuant to Ohio Revised Code § 1711.24. General liability and vehicle coverage is provided by an insurance company with limits of \$1,000,000 and \$5,000,000 aggregate. Directors and Officers Liability is provided at a \$1,000,000 with no deductible. The Society's Treasurer is bonded with coverage of \$25,000. The Society's Secretary is bonded at \$15,000.

The Society provides workers compensation coverage on all employees through the State of Ohio workers compensation fund.

**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 Paulding County Fair. All Junior Fair Board activity is accounted for in a separate account by the Junior Fair Board. The accompanying financial statement does not include the activities of the Junior Fair Board. The Junior Fair Board's financial activity for the years ending November 30, 2004 and 2003 follows:

	2004	2003
Beginning Cash Balance	\$ 6,033	\$ 8,124
Receipts	9,305	10,185
Disbursements	<u>(10,902)</u>	<u>(12,276)</u>
Ending Cash Balance	<u>\$ 4,436</u>	<u>\$ 6,033</u>



**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***

Paulding County Agricultural Society  
P.O. Box 222  
Paulding, Ohio 45879-0222

To the Board of Directors:

We have audited the financial statements of Paulding County Agricultural Society (the Society) as of and for the years ended November 30, 2004 and 2003, and have issued our report thereon dated June 21, 2005 wherein we noted that the Society prepared its financial statements using accounting practices the Auditor of State established rather than accounting principles generally accepted in the United States of America, and wherein we qualified our opinion for our inability to obtain sufficient evidential matter supporting admission revenues. 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 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 2004-001, 2004-002, 2004-003, 2004-004, and 2004-005.

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 conditions 2004-001, 2004-002, and 2004-003 listed above to be material weaknesses. In a separate letter to the Society's management dated June 21, 2005, we reported other matters involving internal control over financial reporting which we did not deem reportable conditions.

### **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 no instances of noncompliance or other matters we must report under *Government Auditing Standards*. In a separate letter to the Society's management dated June 21, 2005, we reported other matters related to noncompliance we deemed immaterial.

This report is intended for the information and use of management and the Board of Directors, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

June 21, 2005



**PAULDING COUNTY AGRICULTURAL SOCIETY**

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

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

**FINDING NUMBER 2004-001**

**Material Weakness - Monthly Reconciliations**

Prior to the closing out the general ledger records each month, all the bank account balances of the Society should be reconciled to the general ledger fund balance in a timely manner. This procedure is an important method of detecting errors in the general ledger postings and bank account records. After this procedure is completed, any errors found should be immediately corrected, general ledger records closed and month end financial information generated by the Treasurer.

There were unreconciled variances between the Society's bank accounts and the fund balance throughout 2004 and 2003. This was caused by several undetected and unreconciled posting errors that occurred each fiscal year which were never corrected.

We recommend that the Treasurer present evidence to the Board of Directors that the Society's bank account balances have been reconciled to the general ledger fund balance in a timely manner along with other financial information submitted for review. The Board of Directors should verify the items appearing on the monthly bank reconciliation including, but not limited to, authentication of the outstanding checks and deposits in transit. The Board should determine that the total balances of all bank accounts reconcile to the total fund (or book) balance. In addition, the Board should initial each bank reconciliation to indicate their review.

**FINDING NUMBER 2004-002**

**Material Weakness - Monitoring Controls by Board of Directors**

The small size of the Society's fiscal operations does not allow for an adequate segregation of duties. The Treasurer performs most accounting functions. It is therefore important that the Board of Directors (the Directors) monitor financial activity closely. The following deficiencies were noted in the monitoring of financial activity by the Directors:

- Neither individual bank reconciliations, nor monthly reconciliations of bank balances to the Fund Balance were reviewed by the Directors.
- There was no evidence that the Board reviewed monthly detail revenue or disbursement ledgers.
- A majority of the minutes were not signed by the Directors.
- A budget was not adopted or monitored by the Directors.

These weaknesses allowed posting errors, such as recording bank transfers as receipts and disbursements, to occur and go undetected. To improve controls over financial transactions and to prevent the possible loss of cash assets we recommend that the following monitoring controls be implemented:

Monthly bank reconciliations, monthly reconciliations of bank balances to the General Fund Balance, monthly receipt and disbursement ledgers, and the prior meeting's minutes should be presented to the Directors by the Treasurer. In addition, the Directors should adopt a budget for the upcoming year's expenditures based on anticipated available funds. The Director's should routinely monitor the Society's actual expenditures to date in comparison to budgeted amounts. These documents should be reviewed, initialed, and approved in the minutes by the Directors. This information provides important data necessary to manage the Agricultural Society. This information can help answer questions such as the following:

**FINDING NUMBER 2004-002  
(Continued)**

- Are current receipts sufficient to cover expenditures?
- Are expenditures in line with prior year costs?
- If unusual fluctuations in receipts or expenditures occur, is the reason understood, and has it been appropriately budgeted.
- Are anticipated receipts being timely received?
- Is the Society maximizing its return on invested cash balances

**FINDING NUMBER 2004-003**

**Material Weakness - Admission Revenues**

- Grandstand admission tickets, season passes, or ticket reports were neither retained, nor accounted for.
- No ticket or seating chart reconciliation (i.e. a comparison of the number of tickets sold times admission price to deposits) was performed for grandstand admissions.
- No ticket reconciliation was performed for season tickets or admissions. In addition, no list was kept to show what organizations or individuals received free tickets.

The above discrepancies may result in lost revenues to the Society. To improve controls over admission revenues, we recommend:

- All grandstand, season, and admission tickets collected should be prenumbered, retained, and accounted for.
- A ticket or seating chart reconciliation should be prepared in a timely manner for grandstand admissions.
- A reconciliation of season tickets sold to collections should be prepared in a timely manner. The reconciliation should also include all free tickets issued for all organizations and individuals.

**FINDING NUMBER 2004-004**

**Reportable Condition - Supporting Documentation**

The Society had approved payment of twenty-two percent of expenses tested without the original invoice or bill being submitted as supporting documentation. In addition, no prior approval of expenses was needed, and requisitions were not utilized by the Society. Most invoices also lacked any initials or signatures of the person receiving the goods or services.

These weaknesses could result in Society funds being misused or improper payment of bills without being detected during the course of normal business operations.

We recommend the Society approve payment of expenses on original supporting documentation, such as an invoice, with proper, prior approval. Invoices should also be initialed or signed by the individual receiving the goods or services to acknowledge that the invoices are okay to pay.

**FINDING NUMBER 2004-005**

**Reportable Condition – Payments in Cash**

Six checks were written payable to “cash” totaling \$10,201 during the audit period. \$2,200 of this amount was to establish change funds in 2003. \$8,001 of this amount was for the Lamb Show and Junior Fair Premiums (i.e., cash awards). Making checks out to cash substantially increases the risk that monies may be stolen or misappropriated.

In order to provide better control over the Society’s cash disbursements, we recommend that change fund disbursements be made by checks payable to the Treasurer and that the Society make expenditures by checks to specific vendors. Where incidental cash payments are necessary, the Directors should establish a petty cash fund with a nominal maximum amount. Reimbursements to the petty cash fund would be based on receipts received for purchases.

**PAULDING COUNTY AGRICULTURAL SOCIETY**

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

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i><b>Explain:</b></i>
2002-001	Monthly reconciliations were not performed by the Society	No	Not corrected, will be repeated as finding 2004-001.
2002-002	Directors did not closely monitor the financial activity of the Society	No	Not corrected, will be repeated as finding 2004-002.
2002-003	Paying bills without supporting documentation	No	Not corrected, will be repeated as finding 2004-004.



**Auditor of State  
Betty Montgomery**

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**PAULDING COUNTY AGRICULTURAL SOCIETY**

**PAULDING 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  
AUGUST 4, 2005**