



Mary Taylor, CPA
Auditor of State

**GUERNSEY COUNTY AGRICULTURAL SOCIETY
GUERNSEY COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Cover Letter.....	1
Independent Accountants' Report	3
Statement of Receipts, Disbursements, and Change in Cash Balance - For the Year Ended November 30, 2006	5
Statement of Receipts, Disbursements, and Change in Cash Balance - For the Year Ended November 30, 2005	6
Notes to the Financial Statements	7
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	13
Schedule of Findings	15
Schedule of Prior Audit Finding	16

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Mary Taylor, CPA
Auditor of State

Guernsey County Agricultural Society
Guernsey County
P.O. Box 208
Old Washington, Ohio 43768

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 an 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 adverse 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.

Mary Taylor

Mary Taylor, CPA
Auditor of State

June 12, 2007

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Guernsey County Agricultural Society
Guernsey County
P.O. Box 208
Old Washington, Ohio 43768

To the Board of Directors:

We have audited the accompanying financial statements of the Guernsey County Agricultural Society, Guernsey County, Ohio (the Society), as of and for the years ended November 30, 2006 and 2005. 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.

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.

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.

Instead of the format the accompanying financial statements present, GAAP would require presenting entity wide statements and also presenting Society's larger (i.e. major) funds separately. 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 GAAP presentation requirements. The Auditor of State permits, but does not require Agricultural Society's to reformat their statements. The Society has elected not to follow GAAP statement formatting requirements. 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, 2006 and 2005 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, 2006 and 2005, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of the Guernsey County Agricultural Society, Guernsey County, as of November 30, 2006 and 2005, and its cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

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 12, 2007, 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.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

June 12, 2007

**GUERNSEY COUNTY AGRICULTURAL SOCIETY
GUERNSEY COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGE IN CASH BALANCE
FOR THE YEAR ENDED NOVEMBER 30, 2006**

Operating Receipts:	
Admissions	\$207,003
Privilege Fees	49,990
Rentals	51,781
Sustaining and Entry Fees	<u>20,716</u>
 Total Operating Receipts	 <u>329,490</u>
Operating Disbursements:	
Wages and Benefits	37,090
Utilities	27,951
Professional Services	94,824
Equipment and Grounds Maintenance	117,837
Race Purse	16,595
Senior Fair	20,291
Junior Fair	16,485
Capital Outlay	3,178
Other Operating Disbursements	<u>50,371</u>
 Total Operating Disbursements	 <u>384,622</u>
 (Deficiency) of Operating Receipts (Under) Operating Disbursements	 <u>(55,132)</u>
Non-Operating Receipts:	
State Support	7,451
County Support	10,000
Donations/Contributions	29,112
Investment Income	<u>12</u>
 Total Non-Operating Receipts	 <u>46,575</u>
 (Deficiency) of Receipts (Under) Disbursements	 (8,557)
 Cash Balance, Beginning of Year	 <u>52,787</u>
 Cash Balance, End of Year	 <u><u>\$44,230</u></u>

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

**GUERNSEY COUNTY AGRICULTURAL SOCIETY
GUERNSEY COUNTY**

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

Operating Receipts:

Admissions	\$225,992
Privilege Fees	52,052
Rentals	34,045
Sustaining and Entry Fees	33,358
Parimutuel Wagering Commission	168
Other Operating Receipts	<u>647</u>
 Total Operating Receipts	 <u>346,262</u>

Operating Disbursements:

Wages and Benefits	40,481
Utilities	28,672
Professional Services	122,292
Equipment and Grounds Maintenance	67,544
Race Purse	53,495
Senior Fair	22,423
Junior Fair	18,355
Capital Outlay	1,668
Other Operating Disbursements	<u>39,714</u>
 Total Operating Disbursements	 <u>394,644</u>

(Deficiency) of Operating Receipts	
(Under) Operating Disbursements	<u>(48,382)</u>

Non-Operating Receipts:

State Support	32,044
County Support	800
Donations/Contributions	19,591
Investment Income	<u>25</u>
 Total Non-Operating Receipts	 <u>52,460</u>

Excess of Receipts Over Disbursements	4,078
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Cash Balance, Beginning of Year	<u>48,709</u>
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Cash Balance, End of Year	<u><u>\$52,787</u></u>
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The notes to the financial statements are an integral part of this statement.

**GUERNSEY COUNTY AGRICULTURAL SOCIETY
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
NOVEMBER 30, 2006 and 2005**

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 Guernsey County Agricultural Society, Guernsey County (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 1952 to operate an annual agricultural fair. The Society sponsors the week-long Guernsey County Fair during September. During the fair, harness races are held. Guernsey County is not financially accountable for the Society. The Board of Directors manages the Society. The Board is made up of fifteen directors serving staggered three-year terms. Society members elect Board members from its membership. Members of the Society must be residents of Guernsey 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. Other year round activities at the fairgrounds including facility rental, track and stall rental, and community events including the Paul Bunyan Show. The reporting entity does not include any other activities or entities of Guernsey County, Ohio.

Notes 7 and 8, 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. Accounting Basis

These financial statements follow the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The Society recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

C. 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.

D. 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.

**GUERNSEY COUNTY AGRICULTURAL SOCIETY
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
NOVEMBER 30, 2006 and 2005
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Race Purse

The Harness Program stake races are held during the Guernsey 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 US Trotting Association pay fees to the Society to qualify horses for entry into stake races. They must make payment before a horse can participate in a stake race. The accompanying financial statements report these fees as Sustaining and Entry Fees.

Ohio Fairs Fund

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

F. 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

The carrying amount of cash at November 30, 2006 and 2005, follows:

	2006	2005
Demand deposits	\$44,230	\$52,787

Deposits: The Federal Deposit 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 years ended November 30, 2006 and 2005, was \$0 and \$24,304, respectively, as State Support.

**GUERNSEY COUNTY AGRICULTURAL SOCIETY
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
NOVEMBER 30, 2006 and 2005
(Continued)**

3. HORSE RACING (Continued)

Pari-mutuel Wagering

The Society conducted pari-mutuel wagering during the 2005 Guernsey County Fair. The 2006 harness racing was rained-out, therefore, there was no pari-mutuel wagering in 2006. The Society's commission from these activities was insignificant.

4. SOCIAL BENEFIT PLAN

All employees contribute to Social Security. For 2006 and 2005, employees contributed 6.2% of their gross salaries. The Society contributed an amount equal to 6.2% of participant's gross salaries through November 30, 2006.

5. RISK MANAGEMENT

The Society is exposed to various risks of property and casualty losses, and injuries to employees.

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

The Guernsey County Commissioners provide general insurance coverage for all the buildings on the Guernsey County Fairgrounds pursuant to Ohio Revised Code § 1711.24.

The Public Entities Pool of Ohio (PEP) provides general liability with limits of \$1,000,000 per occurrence and no aggregate limit. This policy includes wrongful acts coverage for employee dishonesty with limits of liability of \$1,000,000. Note 6 provides details concerning the Society's membership in this risk pool.

The Society's officers are bonded with coverage as follows:

- Treasurer \$50,000
- Secretary \$30,000
- Concession Manager \$30,000
- Superintendent of Gates \$10,000
- Jr. Fair Secretary \$30,000

6. RISK POOL MEMBERSHIP

The Society belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. PEP is a member of the American Public Entity Excess Pool (APEEP). Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty Coverage

For an occurrence prior to January 1, 2006 PEP retains casualty risks up to \$250,000 per occurrence, including claim adjustment expenses. PEP pays a percentage of its contributions to APEEP. APEEP reinsures claims exceeding \$250,000, up to \$1,750,000 per claim and \$10,000,000 in the aggregate per year. For an occurrence on or subsequent to January 1, 2006, the Pool retains casualty risk up to \$350,000 per occurrence, including loss adjustment expenses.

**GUERNSEY COUNTY AGRICULTURAL SOCIETY
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
NOVEMBER 30, 2006 and 2005
(Continued)**

6. RISK POOL MEMBERSHIP (Continued)

Claims exceeding \$350,000 are reinsured with APEEP in an amount not to exceed \$2,650,000 for each claim and \$10,000,000 in the aggregate per year. Governments can elect up to \$10,000,000 in additional coverage with the General Reinsurance Corporation, through contracts with PEP.

If losses exhaust PEP's retained earnings, APEEP provides *excess of funds available* coverage up to \$5,000,000 per year, subject to a per-claim limit of \$2,000,000 (for claims prior to January 1, 2006) or \$3,000,000 (for claims on or after January 1, 2006) as noted above.

Property Coverage

Through 2004, PEP retained property risks, including automobile physical damage, up to \$100,000 on any specific loss in any one occurrence. The Travelers Indemnity Company reinsured losses exceeding \$100,000 up to \$500 million per occurrence.

Beginning in 2005, Travelers reinsures specific losses exceeding \$250,000 up to \$600 million per occurrence. APEEP reinsures members for specific losses exceeding \$100,000 up to \$250,000 per occurrence, subject to an annual aggregate loss payment. Travelers provides aggregate stop-loss coverage based upon the combined members' total insurable values. If the stop loss is reached by payment of losses between \$100,000 and \$250,000, Travelers will reinsure specific losses exceeding \$100,000 up to their \$600 million per occurrence limit. The aggregate stop-loss limit for 2006 was \$1,901,127.

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

Property and casualty settlements did not exceed insurance coverage for the past three fiscal years.

Financial Position

PEP's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2006 and 2005:

<u>Casualty Coverage</u>	<u>2006</u>	<u>2005</u>
Assets	\$30,997,868	\$29,719,675
Liabilities	<u>(15,875,741)</u>	<u>(15,994,168)</u>
Retained earnings	<u>\$15,122,127</u>	<u>\$13,725,507</u>

<u>Property Coverage</u>	<u>2006</u>	<u>2005</u>
Assets	\$5,125,326	\$4,443,332
Liabilities	<u>(863,163)</u>	<u>(1,068,245)</u>
Retained earnings	<u>\$4,262,163</u>	<u>\$3,375,087</u>

**GUERNSEY COUNTY AGRICULTURAL SOCIETY
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
NOVEMBER 30, 2006 and 2005
(Continued)**

6. RISK POOL MEMBERSHIP (Continued)

At December 31, 2006 and 2005, respectively, casualty coverage liabilities noted above include approximately \$14.4 million and \$14.3 million of estimated incurred claims payable. The Casualty Coverage assets and retained earnings above also include approximately \$14.4 million and \$14.3 million of unpaid claims to be billed to approximately 447 member governments in the future, as of December 31, 2006 and 2005, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. The Society's share of these unpaid claims collectible in future years is approximately \$33,000. This payable includes the subsequent year's contribution due if the Society terminates participation, as described in the last paragraph below.

Based on discussions with PEP, the expected rates PEP charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to PEP for each year of membership.

Contributions to PEP	
2004	\$18,758
2005	\$13,364
2006	\$16,623

After completing one year of membership, members may withdraw on each anniversary of the date they joined PEP provided they give written notice to PEP 60 days in advance of the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's budgetary contribution. Withdrawing members have no other future obligation to the pool. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

7. 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 Guernsey County Fair. The Society disbursed \$16,485 for 2006 and \$18,355 for 2005 directly to vendors to support Junior Fair activities. These expenses are reflected as a disbursement in the accompanying financial statements as Junior Fair Disbursements. The Junior Fair Board accounts for its activities separately. These accompanying financial statements do not include this activity. The Junior Fair Board's financial activity for the years ended November 30, 2006 and 2005, follows:

	2006	2005
Beginning Cash Balance	\$ 2,799	\$ 4,251
Receipts	2,298	3,710
Disbursements	(4,930)	(5,162)
Ending Cash Balance	<u>\$ 167</u>	<u>\$ 2,799</u>

**GUERNSEY COUNTY AGRICULTURAL SOCIETY
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
NOVEMBER 30, 2006 and 2005
(Continued)**

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 Guernsey County's auction. A commission of 3% percent on auction sales covers auction costs. The Junior Livestock Committee retains this money. The accompanying financial statements do not include the Junior Livestock Committee's activities. The Junior Livestock Committee's financial activity for the years ended November 30, 2006 and 2005, follows:

	2006	2005
Beginning Cash Balance	\$ 4,108	\$ 13,327
Receipts	38,018	44,076
Disbursements	<u>(38,059)</u>	<u>(53,295)</u>
Ending Cash Balance	<u>\$ 4,067</u>	<u>\$ 4,108</u>



Mary Taylor, CPA

Auditor of State

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

Guernsey County Agricultural Society
Guernsey County
P.O. Box 208
Old Washington, Ohio 43768

To the Board of Directors:

We have audited the financial statements of the Guernsey County Agricultural Society, Guernsey County, Ohio (the Society), as of and for the years ended November 30, 2006 and 2005, and have issued our report thereon dated June 12, 2007, 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 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 a certain matter involving the internal control over financial reporting and its operation that we consider a reportable condition. 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. A reportable condition is described in the accompanying Schedule of Findings as item 2006-001.

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. However, we do not believe the reportable condition described above is a material weakness. In a separate letter to the Society's management dated June 12, 2007, we reported other matters involving internal control over financial reporting 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 an instance of noncompliance or other matter that we must report under *Government Auditing Standards* which is described in the accompanying Schedule of Findings as item 2006-001.

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

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

June 12, 2007

**GUERNSEY COUNTY AGRICULTURAL SOCIETY
GUERNSEY COUNTY**

**SCHEDULE OF FINDINGS
NOVEMBER 30, 2006 AND 2005**

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

FINDING NUMBER 2006-001

Noncompliance Citation and Reportable Condition

Ohio Rev. Code Section 149.351(A) provides that all records are the property of the public office concerned and shall not be removed, destroyed, mutilated, transferred, or otherwise damaged or disposed of, in whole or in part, except as provided by law or under the rules adopted by the records commission provided under Section 149.38 to 149.42 of the Revised Code. Such records shall be delivered by outgoing officials and employees to their successors and shall not be otherwise removed, transferred, or destroyed unlawfully.

The Society did not provide the 2005 concession fee contracts for audit; however, the concession manager did maintain a ledger with all the concession contracts listed individually.

It is management's responsibility to design and implement internal control policies and procedures to reasonably ensure specific financial objectives will be achieved, including ensuring all fees are appropriately collected, safeguarded, deposited, and accurately recorded into the accounting records. A sound internal control structure requires thorough documentation of the procedures performed to provide management with reasonable assurances they are being performed timely and consistently.

In addition to the 2005 contracts, not being provided for audit, the following weaknesses were noted:

- The 2006 concession fee contracts that were on file were not always properly completed;
- A summary of concession contract collections was maintained by the concession manager for each year but the summary was not reconciled to the contracts on file or to the amounts posted; and
- The concession fee contracts were numbered but were not sequentially numbered which would enhance management's controls over accountability.

These weaknesses could result in incomplete or inaccurate privilege fees paid to the Society by vendors.

We recommend the Society maintain all concession fee contracts as required by the Ohio Revised Code. We further recommend the Society develop sound internal control procedures over privilege fees. Concession contracts should be sequentially numbered and completely filled out. The Society's concession manager should maintain a detailed listing of all contracts issued and issue pre-numbered duplicate receipts for each payment received. The detailed listing should include the vendor's name, the contract number, the date, amount and receipt number for each deposit paid, and the date, amount and receipt number for each balance paid. A person independent of the collection process should reconcile the listing to the contracts on file and to the amounts deposited and recorded in the receipts ledger. The listing should be signed by the preparer and the individual performing the reconciliation.

Officials' Response: The Secretary and Treasurer will work with the Concession Manager to correct this problem and retain records as required by law.

**GUERNSEY COUNTY AGRICULTURAL SOCIETY
GUERNSEY COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDING
NOVEMBER 30, 2006 AND 2005**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
2004-001	Lack of supporting documentation for privilege fees	No	This finding was re-issued as Finding Number 2006-001.



Mary Taylor, CPA
Auditor of State

AGRICULTURAL SOCIETY

GUERNSEY 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 10, 2007**