

**LOGAN COUNTY AGRICULTURAL SOCIETY
LOGAN COUNTY**

**FINANCIAL STATEMENT
(AUDITED)**

FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2017



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Board of Directors
Logan County Agricultural Society
301 East Lake Avenue
Bellefontaine, Ohio 43311

We have reviewed the *Independent Auditor's Report* of the Logan County Agricultural Society, Logan County, prepared by Julian & Grube, Inc., for the audit period December 1, 2016 through November 30, 2017. 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. The Logan County Agricultural Society is responsible for compliance with these laws and regulations

Keith Faber
Auditor of State
Columbus, Ohio

October 22, 2019

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**LOGAN COUNTY AGRICULTURAL SOCIETY
LOGAN COUNTY**

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Julian & Grube, Inc.
Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Independent Auditor's Report

Logan County Agricultural Society
Logan County
301 East Lake Avenue
Bellefontaine, Ohio 43311

To the Board of Directors:

Report on the Financial Statement

We were engaged to audit the accompanying financial statement of the cash balances, receipts and disbursements, and related notes of the Logan County Agricultural Society, Logan County, Ohio, as of and for the fiscal year ended November 30, 2017.

Management's Responsibility for the Financial Statement

Management is responsible for preparing and fairly presenting this financial statement in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on an audit in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Because of the matters described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As described in Note 2 of the financial statement, the Logan County Agricultural Society prepared this financial statement 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 statement of the variances between the regulatory accounting basis and GAAP are not reasonable determinable, we presume they are material.

The Society was unable to provide sufficient evidence to support the completeness, accuracy, cutoff and classification of admissions and privilege fees. The Society lacked monthly bank reconciliations and had numerous withdrawals and deposits in July of 2017 without any supporting documentation.

We were unable to obtain sufficient and appropriate audit evidence to determine the accuracy of the financial statement classifications of receipts or disbursements, and therefore, also fund cash balances. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

Disclaimer of Opinion

Because of the significance of the matters described in the *Basis for Disclaimer of Opinion* paragraphs, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on this financial statement.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 28, 2019, on our consideration of the Logan County Agricultural Society's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine 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 Logan County Agricultural Society's internal control over financial reporting and compliance.



Julian & Grube, Inc.
August 28, 2019

Logan County Agricultural Society
Logan County
Statement of Receipts, Disbursements and
Change in Fund Balance (Regulatory Cash Basis)
For the Fiscal Year Ended November 30, 2017

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Operating Receipts	
Admissions	\$ 86,272
Privilege Fees	38,258
Sales	11,187
Utilities	45
Entry Fees and Declaration	14,175
Racing	24,063
Fees	911
Rentals	20,878
Other Operating Receipts	<u>456</u>
<i>Total Operating Receipts</i>	<u>196,245</u>
Operating Disbursements	
Wages and Benefits	11,931
Administrative	12,821
Race Supplies	2,655
Supplies	8,969
Utilities	22,833
Racing	101,954
Professional Services	74,101
Property Services	28,709
Advertising	4,930
Repairs	8,329
Insurance	24,172
Rent and Lease	12,597
Capital Outlay	60
Senior Fair	2,437
Contest	3,907
Junior Fair	10,266
Other Operating Disbursements	<u>4,701</u>
<i>Total Operating Disbursements</i>	<u>335,372</u>
<i>Excess (Deficiency) of Operating Receipts</i>	
<i>Over (Under) Operating Disbursements</i>	<u>(139,127)</u>
Non-Operating Receipts (Disbursements)	
State Support	74,938
County Support	5,264
Restricted Support	42,930
Unrestricted Support	20,546
Debt Service	<u>(7,894)</u>
<i>Net Non-Operating Receipts (Disbursements)</i>	<u>135,784</u>
<i>Excess (Deficiency) of Receipts Over (Under) Disbursements</i>	(3,343)
Cash Balance, Beginning of Year	<u>22,595</u>
<i>Cash Balance, End of Year</i>	<u><u>\$ 19,252</u></u>

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

Logan County Agricultural Society
Logan County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2017

Note 1 – Reporting Entity

The Agricultural Society of Logan County (the Society), Logan 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 county agricultural society corporation formed under Chapter 1711 of the Ohio Revised Code. The Society was founded in 1849 to operate an annual agricultural fair. The Society sponsors the week – long Logan County Fair during July. During the fair, harness races are held, culminating in the running of the Signature Series. Logan County is not financially accountable for the Society. The Board of Directors manages the Society. The Board is made up of 28 directors serving staggered three-year terms. Society members elect Board members from its membership. Members of the Society must be residents of Logan 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. Other year-round activities at the fairgrounds include facility rental, track and stall rental, and community events including fundraisers and livestock shows. The reporting entity does not include any other activities or entities of Logan County, Ohio.

Note 9 summarizes the Junior Livestock Sale Committee’s financial activity.

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 balance (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.

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.

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.

Logan County Agricultural Society
Logan County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2017

Note 2 – Summary of Significant Accounting Policies - (Continued)

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). The Society has not filed their required form 990 Return of Organization Exempt From Income Tax for the fiscal year ended November 30, 2017.

Race Purse

Signature Series stake races are held during the Logan 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 Ohio Colt Racing 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 Entry Fees and Declaration.

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.

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 net of the Pari-mutuel Wagering Commission in the accompanying financial statement as racing receipts. See Note 4 for additional information.

Logan County Agricultural Society
Logan County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2017

Note 3 – Deposits

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

	2017
Demand deposits	\$19,252

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation.

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, 2017, was \$7,967, as State Support.

Pari-mutuel Wagering

The Society does not record the Total Amount Bet or the Payoff to Bettors in the accompany financial statement, rather, it records the Pari-mutuel Wagering Commission (commission) which is the Society's share of total pari-mutuel wagers after paying winning bettors. The expenses of providing the pari-mutuel wagering system are called Tote Services, and these expenses are recorded net of the Pari-mutuel Wagering Commission and are included in racing receipts, State taxes, which are also paid from Pari-mutuel Wagering Commission, are reflected in racing disbursements, and the amount remaining is the Society's net portion.

	2017
Total Amount Bet (Handle)	\$ 8,263
Less: Payoff to Bettors	(6,622)
Parimutuel Wagering Commission	1,641
Tote Service Set Up Fee	(900)
Tote Service Commission	(350)
State Tax	(202)
Society Portion	\$ 189

Note 5 – Risk Management

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

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

Logan County Agricultural Society
Logan County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2017

Note 5 – Risk Management - (Continued)

The Society insures against injuries to employees through the Ohio Bureau of Worker’s Compensation.

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. York Insurance Services Group, Inc. (York) functions as the administrator of PEP and provides underwriting, claims, loss control, risk management, and reinsurance services for PEP. PEP is a member of the American Public Entity Excess Pool (APEEP), which is also administered by York. 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 and Property Coverage

APEEP provides PEP with an excess risk-sharing program. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. At December 31, 2017, PEP retained \$350,000 for casualty claims and \$100,000 for property claims.

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

Financial Position

PEP’s financial statements (audited by other auditor’s) conform with generally accepted accounting principles, and reported the following assets, liabilities and net position at December 31, 2017.

	<u>2017</u>
Assets	\$44,452,326
Liabilities	(13,004,011)
Net Position	\$31,448,315

At December 31, 2017 the liabilities above include approximately \$11.8 million of estimated incurred claims payable. The assets above also include approximately \$11.2 million of unpaid claims to be billed. The Pool’s membership increased to 527 members in 2017. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2017, the Society’s share of these unpaid claims collectible in future years is approximately \$11,000.

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.

2017 Contributions to PEP
\$17,248

Logan County Agricultural Society
Logan County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2017

Note 5 – Risk Management - (Continued)

After one year of membership, a member may withdraw on the anniversary of the date of joining PEP, if the member notifies PEP in writing 60 days prior to the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's contribution. Withdrawing members have no other future obligation to PEP. 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.

Note 6 – Social Security

Society employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The Society contributed an amount equal to 6.2 percent of participants' gross salaries. The Society has paid all contributions required through November 30, 2017.

Note 7 – Debt

Debt outstanding at November 30, 2017, was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Line of Credit: PNC Bank	<u>\$16,920</u>	6.25%

The line of credit bears an interest rate of 6.25 percent and is due to PNC Bank. The line of credit was obtained in December 2006. The Society utilized this line of credit to purchase lights for the fairgrounds.

Note 8 – Contingent Liabilities

Amounts grantor agencies pay to the Society are subject to audit and adjustment by the grantor. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

Logan County Agricultural Society
Logan County
Notes to the Financial Statement
For the Fiscal Year Ended November 30, 2017

Note 9 – 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 Logan County’s auction. A commission of three percent on auction sales covers auction costs and an additional one percent covers barn/show arena improvements. 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 year ended November 30, 2017, follows:

	<u>2017</u>
Beginning Cash Balance	\$ 8,994
Receipts	416,563
Disbursements	<u>(417,460)</u>
Ending Cash Balance	<u><u>\$ 8,097</u></u>

Note 10 – Subsequent Event

In December 2017, Kelsey Lininger was appointed to the Treasurer position.

Note 11 – Noncompliance

The Society is in noncompliance with Ohio Administrative Code Sections 117-2-01 and 117-2-02. The Society is also in noncompliance with Internal Revenue Code Section 501(a).

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Julian & Grube, Inc.

Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by *Government Auditing Standards*

Logan County Agricultural Society
Logan County
301 East Lake Avenue
Bellefontaine, Ohio 43311

To the Board of Directors:

We were engaged to audit, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statement of the cash balances, receipts and disbursements of the Logan County Agricultural Society, Logan County, Ohio as of and for the fiscal year ended November 30, 2017, and the related notes to the financial statement, and have issued our report thereon dated August 28, 2019, wherein we noted the Logan County Agricultural Society followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our report disclaims an opinion on such financial statement because we were not able to obtain sufficient appropriate audit evidence to support an opinion.

Internal Control Over Financial Reporting

In connection with our engagement to audit the financial statement of the Logan County Agricultural Society, we considered the Logan County Agricultural Society's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statement, but not to the extent necessary to opine on the effectiveness of the Logan County Agricultural Society's internal control. Accordingly, we have not opined on it.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Logan County Agricultural Society's financial statement. 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. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses, that we consider material weaknesses. We consider findings 2017-001 through 2017-004 to be material weaknesses.

Compliance and Other Matters

In connection with our engagement to audit the financial statement of the Logan County Agricultural Society to the extent possible, we performed tests of 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, opining 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 instances of noncompliance or other matters we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings and responses as items 2017-002 and 2017-004.

Logan County Agricultural Society's Responses to Findings

The Logan County Agricultural Society's responses to the findings identified in our engagement to audit are described in the accompanying schedule of findings and responses. We did not subject the Logan County Agricultural Society's responses to the auditing procedures applied in the engagement to audit the financial statement and, accordingly, we express no opinion on them.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Logan County Agricultural Society's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Logan County Agricultural Society's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Julian & Grube, Inc.
August 28, 2019

**LOGAN COUNTY AGRICULTURAL SOCIETY
LOGAN COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES
NOVEMBER 30, 2017**

FINDINGS RELATED TO THE FINANCIAL STATEMENT REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS	
Finding Number	2017-001

Material Weakness - Financial Statement Presentation

Accurate financial reporting is required in order to provide management and other stakeholders with objective and timely information to enable well-informed decisions.

Certain adjustments were made to the financial statement and related notes for the year ended November 30, 2017, to properly state financial statement amounts. The Society records have been adjusted for the misstatements identified during the engagement.

In general, an accounting and information system should be designed to provide management with accurate and timely information to enable well-informed business decisions to be made. The present system lacks fiscal oversight and approvals and fails to meet the above expectations.

We recommend the Society consult with their auditors, the Uniform System of Accounting for Agricultural Societies, and the Auditor of State to help ensure accurate financial reporting.

Client Response: The Treasurer will work to provide a sound fiscal environment for the Society and has implemented additional policies and procedures to help with financial statement presentation.

Finding Number	2017-002
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Material Weakness/Noncompliance – Internal Controls/Accounting and Reporting Records

Ohio Administrative Code Sections 117-2-01 Internal Controls and 117-2-02 Accounting and Reporting Records requires certain explicit areas be met when a public office designs and operates its internal control to provide reasonable assurance over certain areas related to operations and to maintain adequate documentation to support amounts recorded in the accounting system.

The following items lack sufficient and appropriate audit evidence:

- Admission Receipts were recorded at \$86,272; however, supporting evidence was unable to be obtained.
- Privilege Fees Receipts recorded in the amount of \$11,656 were unable to be substantiated due to lack of supporting documentation.
- The July 2017 bank statement indicated cash withdrawals made in the amount of \$49,200 for “start-up” costs for the fair. It is undeterminable if this amount was spent on disbursements or returned to the bank.
- Unrestricted support of \$6,405 from a memorial fundraiser lacked support for the cash deposited.

Lack of supporting documentation could allow errors and/or fraud to occur and remain undetected for an extended period of time.

**LOGAN COUNTY AGRICULTURAL SOCIETY
LOGAN COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES
NOVEMBER 30, 2017**

FINDINGS RELATED TO THE FINANCIAL STATEMENT REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS - (Continued)	
Finding Number	2017-002 - (Continued)

The Agricultural Society should establish control procedures that would allow them to determine the completeness and existence of revenues and require all supporting documentation to be maintained in order for the Society to ensure that all receipts are accurate and appropriate.

Client Response: The Treasurer will work to provide a sound fiscal environment for the Society and has implemented additional policies and procedures to help maintain sufficient and appropriate audit evidence.

Finding Number	2017-003
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Material Weakness - Cash Reconciliations

Strong monitoring practices of the Society’s financial activities are the responsibility of the Treasurer and Board of Directors and are essential to help ensure proper financial reporting. A bank to book reconciliation should be performed monthly for all monies held by the Society. Reconciliations should include all bank accounts and book balances. Additionally, the Treasurer and Board of Directors should review the bank to book reconciliations timely and regular financial reports of the Society’s financial activity and evidence such in the minutes of record.

The Society was unable to provide a November 30, 2017 bank statement to book reconciliation with no unidentified discrepancies. Monthly bank reconciliations were also unable to be provided.

As a result, inaccurate financial reports could be provided to the Board of Directors which could skew management decisions or could lead to errors or irregularities occurring that could go undetected by management.

We recommend the Society reconcile all bank accounts to the accounting system completely and on a timely basis. In this process, all reconciling items or errors should be identified and included on the face of the reconciliation. All unreconciled balances should be researched in order to find the known source of the error. All errors should be corrected in the Society’s ledgers following the completion, of the reconciliations. As an additional monitoring control, we recommend the monthly bank reconciliations be reviewed and approved by the Board of Directors and evidence of all reviews and approvals be thoroughly documented in the Board meeting minutes or in the form of a review log.

Client Response: The Society sought outside assistance to recreate a reconciliation at December 1, 2017. The new Treasurer has reconciled monthly.

**LOGAN COUNTY AGRICULTURAL SOCIETY
LOGAN COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES
NOVEMBER 30, 2017**

FINDINGS RELATED TO THE FINANCIAL STATEMENT REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS - (Continued)	
Finding Number	2017-004

Material Weakness/Noncompliance - Filing of Form 990

Internal Revenue Code Section 501(a) requires the annual filing of form 990 Return of Organization Exempt From Income Tax.

The Society did not timely file the required return for the fiscal year ended November 30, 2017.

The Society could be subject to substantial fines, penalties and interest and potentially place their non-profit status at risk.

We recommend the Society develop a tickler system to help ensure any required filings are timely. We recommend the Society consult with a CPA skilled in the preparation of these returns to assist in annual timely filings.

Client Response: The Society is working to file this form. The Society will seek forgiveness from the Internal Revenue Service should any penalties be assessed.

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**LOGAN COUNTY AGRICULTURAL SOCIETY
LOGAN COUNTY, OHIO**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
NOVEMBER 30, 2017**

<u>Finding Number</u>	<u>Year Initially Occurred</u>	<u>Finding Summary</u>	<u>Status</u>	<u>Additional Information</u>
2016-001	2015	<u>Material Weakness - Financial Statement Presentation:</u> The presentation of materially correct financial statements and the related footnotes is the responsibility of management and is an important part of the Society's overall purpose. Financial reporting requires internal controls to help ensure the accuracy of the activity reported. Numerous adjustments were posted to the audited financial statements to make them materially correct.	Not Corrected	Repeated as finding 2017-001 as audit adjustments were posted to the financial statement and related notes.
2016-002	2016	<u>Material Weakness/Noncompliance - Incomplete Hinkle Submission -</u> The Society did not comply with the Auditor of State Bulletin 2015-007, which outlines requirements for filing of reports with the Hinkle System. The Society did not file a complete report for fiscal year 2016.	Partially Corrected	Moved to Management Letter

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OHIO AUDITOR OF STATE KEITH FABER



LOGAN COUNTY AGRICULTURAL SOCIETY

LOGAN 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
NOVEMBER 7, 2019**