



Dave Yost • Auditor of State



**AGRICULTURAL SOCIETY  
GUERNSEY COUNTY**

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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

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

We have performed the procedures enumerated below, with which the Board of Directors and the management of the Agricultural Society, Guernsey County, Ohio (the Society), agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended November 30, 2010 and 2009, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management and the Board are responsible for complying with the compliance requirements. This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

This report only describes exceptions exceeding \$10.

### Cash

1. We tested the mathematical accuracy of the November 30, 2010 and November 30, 2009 bank reconciliations. We found no exceptions.
2. We agreed the December 1, 2008 beginning fund balance recorded to the November 30, 2008 balance in the prior year audited statements. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the November 30, 2010 and 2009 fund cash balance reported in the Annual Financial Reports. The amounts agreed.
4. We confirmed the November 30, 2010 bank account balance with the Society's financial institution. We found no exceptions. We also agreed the confirmed balance to the amount appearing in the November 30, 2010 bank reconciliation without exception.
5. We selected five outstanding checks haphazardly from the November 30, 2010 bank reconciliation:
  - a. We traced each check to the debit appearing in the subsequent December bank statement. We found no exceptions.
  - b. We traced the amounts and date written to the Itemized Categories Report, to determine the checks were dated prior to November 30. We noted no exceptions.

### **Cash (Continued)**

6. For the deposit in transit from the November 30, 2010 bank reconciliation:
  - a. We traced the deposit to the credit appearing in the subsequent December bank statement. We found no exceptions.
  - b. We agreed the deposit amount to the Itemized Categories Report. The deposit in transit was recorded as a November receipt for the same amount recorded in the reconciliation.

### **Intergovernmental and Other Confirmable Cash Receipts**

We selected all the receipts from the Distribution Transaction Detail Report (State DTL) for 2010 and 2009.

- a. We compared the amount from the DTL/confirmation to the amount recorded in the Itemized Categories Report. The amounts agreed.
- b. We determined whether these receipts were allocated to the proper account code(s). We found no exceptions except in 2009, the Society recorded Horse Racing Tax Refunds and Distributions of \$44.54 as Racing Receipts instead of State Support Receipts. We recommend the Society record all monies received from the state as State Support Receipts.
- c. We determined whether the receipts were recorded in the proper year. We found no exceptions.

### **Admission Receipts**

We haphazardly selected one day of admission cash receipts from the year ended November 30, 2010 and one day of admission cash receipts from the year ended November 30, 2009 recorded in the Itemized Categories Report and determined whether the receipt amount agreed to the supporting documentation (Bates Bros. Amusement Co. Daily Report and the Treasurer's daily admission reports).

We noted the following:

- For September 18, 2010, the admission cash receipts amount recorded on the Itemized Categories Report was \$51,472 and the amount of tickets sold multiplied by the ticket price was \$51,387, noting an \$85 variance.
- For September 19, 2009, the admission cash receipts amount recorded on the Itemized Categories Report was \$47,996 and the amount of tickets sold multiplied by the ticket price was \$47,936, noting a \$60 variance.

We recommend the Society Treasurer recalculate the daily admission reports to determine amount collected versus tickets sold is reasonable. Any significant variances should be investigated.

### **Privilege Fee Receipts**

We haphazardly selected 10 privilege fee cash receipts from the year ended November 30, 2010 and 10 privilege fee cash receipts from the year ended November 30, 2009 recorded in the duplicate cash receipts books and determined whether the:

- a. Receipt amount agreed to the amount recorded in the Itemized Categories Report. The amounts agreed.
- b. Amount charged complied with rates in force during the period. We found no exceptions.
- c. Receipt was recorded in the proper year. We found no exceptions.

### Rental Receipts

We haphazardly selected 10 rental cash receipts from the year ended November 30, 2010 and 10 rental cash receipts from the year ended November 30, 2009 recorded in the duplicate cash receipts book and determined whether the:

- a. Receipt amount agreed to the amount recorded in the Itemized Categories Report. The amounts agreed.
- b. Amount charged complied with rates in force during the period. We found no exceptions.
- c. Receipt was recorded in the proper year. We found no exceptions.

### Debt

We inquired of management, and scanned the Itemized Categories Report for evidence of loan or credit agreements, and bonded, note, County, or mortgage debt issued during 2010 or 2009 or outstanding as of November 30, 2010 or 2009. We noted no new debt issuances, nor any debt payment activity during 2010 or 2009.

### Payroll Cash Disbursements

1. We haphazardly selected one payroll check for all three employees from 2010 and one payroll check for all four employees from 2009 from the Itemized Categories Report and determined whether the following information in the minute record was consistent with the information used to compute gross and net pay related to this check:
  - a. Name.
  - b. Authorized salary or pay rate.
  - c. Retirement system participation and payroll withholding.
  - d. Federal & State income tax withholding authorization and withholding.
  - e. Any other deduction authorizations (deferred compensation, etc.).

We found no exceptions related to steps a – e above.

2. We tested the checks we selected in step 1, as follows:
  - a. We compared the hours and pay rate, or salary amount used in computing gross pay to supporting documentation (timecard, legislatively approved rate or salary). We found no exceptions.
  - b. We recomputed gross and net pay and agreed it to the amount recorded in the Itemized Categories Report. We found no exceptions.
3. We scanned the 3<sup>rd</sup> quarter remittance of tax and retirement withholdings for the year ended November 30, 2010 to determine whether remittances were timely paid, and that the amounts paid agreed to the amounts withheld during the 3<sup>rd</sup> quarter withholding period during 2010. We noted the following:

Withholding	Date Due	Check No	Date Paid	Amount
Federal income taxes	10/31/10	2476	10/12/10	\$1,740.11
State income taxes	10/15/10	2478	10/12/10	\$151.81

### Non-Payroll Cash Disbursements

1. For the Itemized Categories Report, we refooted checks recorded as disbursements for electricity for 2010. We found no exceptions.
2. We agreed total disbursements (non-payroll and payroll) from the Itemized Categories Report to the Annual Report for the years ended November 30, 2010 and 2009. We found no exceptions.
3. We haphazardly selected ten disbursements from the Itemized Categories Report for the year ended November 30, 2010 and ten from the year ended 2009 and determined whether:
  - a. The disbursements were for a proper public purpose. We found no exceptions.
  - b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Itemized Categories Report and to the names and amounts on the supporting invoices. We found no exceptions.
  - c. Based on the nature of the expenditure, the account coding is reasonable. We found no exceptions.

### Officials' Response:

We did not receive a response from officials to the exceptions noted in this report.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Society's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management and those charged with governance and is not intended to be, and should not be used by anyone other than these specified parties.



**Dave Yost**  
Auditor of State

March 7, 2011





# Dave Yost • 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  
APRIL 7, 2011**