



**ATTICA INDEPENDENT AGRICULTURAL SOCIETY
SENECA COUNTY**

AGREED-UPON PROCEDURES

FOR THE YEARS ENDING NOVEMBER 30, 2009 AND 2010



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ATTICA INDEPENDENT AGRICULTURAL SOCIETY
SENECA COUNTY

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Attica Independent Agricultural Society
Seneca County
15127 E. Twp. Road 12
P.O. Box 433
Attica, Ohio 44807-0433

We have performed the procedures enumerated below, with which the Board of Directors and the management of Attica Independent Agricultural Society, Seneca County, (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 balances recorded to the November 30, 2008 balances 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 QuickBooks Balance Sheet report. The amounts agreed.
4. We confirmed the November 30, 2010 bank account balances with the Society's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts 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 check register, to determine the checks were dated prior to November 30. We noted no exceptions.

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 Receipt Ledger. The amounts agreed.
- b. We determined whether these receipts were allocated to the proper account codes. We found no exceptions.
- 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 receipts ledger and determined whether the receipt amount agreed to the supporting documentation (ticket recapitulation sheets/cash register tapes, etc). The amounts agreed.

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 Receipt Ledger. 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

1. From the prior audit report, we noted the following loans outstanding as of November 30, 2008. These amounts agreed to the Society's December 1, 2008 balance on the summary we used in step 3.

Issue	Principal outstanding as of November 30, 2008:
Gillet Mortgage	\$16,000
Sutton Bank Operating Loan	64,583

2. We inquired of management, and scanned the receipt and expenditure records 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. All debt noted agreed to the summary we used in step 3.
3. We obtained a summary of debt service payments including loan agreements permitted by Ohio Rev. Code Section 1711.13 owed during 2010 and 2009 and agreed these payments from the expenditure ledger to the related debt amortization schedules. We also compared the date the debt service payments were due to the date the Society made the payments. We found no exceptions.

4. We agreed the amount of debt proceeds from the debt documents to amounts recorded in the Receipt Ledger. We found the following exception:
 - Proceeds of \$75,000 in 2009 from Sutton Bank which represented a new note obtained to pay off a prior note that had an outstanding balance of \$64,583. In addition the financing of the 2009 fair was not properly recorded by the Society. The Society recorded new debt proceeds net of the prior note that payment amount of \$64,583 and processing fees charged by the Sutton Bank in the amount of \$432.
5. For new debt issued during 2009, we inspected the debt legislation, noting the Society must use the proceeds to pay off the prior Sutton Bank note and assist the Society with operational costs related to the 2009 Fair. We scanned the expenditure ledger and noted the Society failed to properly record the loan payment and processing fees charged by Sutton bank.
6. We inquired of management, scanned the receipt ledger, and scanned the prior audit report and determined that the Society had a loan agreement outstanding during 2010 and 2009 as permitted by Ohio Rev. Code Section 1711.13(B). The Society had total net indebtedness of \$77,094 and \$87,000 for fiscal years 2010 and 2009, respectively. The Society's total net indebtedness exceeded twenty-five percent of its annual revenues by \$18,573 in fiscal year 2010 and \$26,343 in fiscal year 2009, contrary to the requirements of Ohio Rev. Code Section 1711.13(B).

Non-Payroll Cash Disbursements

We haphazardly selected ten disbursements from the Expenditure Report for the year ended November 30, 2010 and ten from the year ended November 30, 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 Expenditure Ledger 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: The Society is aware of the exceptions stated above and is making attempts to comply.

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 the Board of Directors and is not intended to be, and should not be used by anyone other than these specified parties.



Dave Yost
Auditor of State

April 5, 2011

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ATTICA INDEPENDENT AGRICULTURAL SOCIETY

SENECA 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
MAY 5, 2011**