

**KNOX COUNTY AGRICULTURAL SOCIETY**

**KNOX COUNTY**

**DECEMBER 1, 2014 TO NOVEMBER 30, 2016  
AGREED UPON PROCEDURES**





# Dave Yost • Auditor of State

Board of Directors  
Knox County Agricultural Society  
PO Box 707  
601 Fairground Road

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of Knox County Agricultural Society, prepared by Julian & Grube, Inc., for the period December 1, 2014 through November 30, 2016. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

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. Knox County Agricultural Society is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

July 24, 2017

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**Julian & Grube, Inc.**  
*Serving Ohio Local Governments*

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

Knox County Agricultural Society  
Knox County  
PO Box 707  
601 Fairground Road  
Mt Vernon, Ohio 43050

We have performed the procedures enumerated below, which were agreed to by the Board of Directors and the management of the Knox County Agricultural Society (the "Society") and the Auditor of State, on the receipts, disbursements and balances recorded in the Society's cash-basis accounting records for the years ended November 30, 2016 and 2015 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Society. The Society is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended November 30, 2016 and 2015 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Society. 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 recalculated the November 30, 2016 and November 30, 2015 bank reconciliations. We found no exceptions.
2. We agreed the December 1, 2014 beginning fund balances recorded to the November 30, 2014 balances in the prior year audited statements. We found no exceptions. We also agreed the December 1, 2015 beginning fund balances recorded to the November 30, 2015 balances. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the November 30, 2016 and 2015 fund cash balance reported in the Annual Financial Reports. The amounts agreed.
4. We observed the year-end bank balances on the financial institution's website. The balances agreed. We also agreed the confirmed balances to the amounts appearing in the November 30, 2016 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the November 30, 2016 bank reconciliation:

- a. We traced four of the debits to the December bank statement, and noted one of the debits was determined stale dated by the Society and voided from the accounting system in February 2017. There were no exceptions.
- b. We traced the amounts and dates to the check register, to determine the debits were dated prior to November 30. There were no exceptions.

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

1. We selected all the receipts from the Distribution Transaction Detail Report (State DTL) for 2016 and 2015. We also haphazardly selected all receipts from the County Auditor's Vendor Inquiry Report from 2016 and all from 2015.
  - a. We compared the amount from the above reports to the amount recorded in the Receipt Ledger. The amounts agreed.
  - b. We inspected the receipts ledger to determine whether these receipts were allocated to the proper account codes. We found no exceptions.
  - c. We inspected the receipts ledger to determine whether the receipts were recorded in the proper year. We found no exceptions.

### **Admission/Grandstand Receipts**

We haphazardly selected one day of admission/grandstand cash receipts from the year ended November 30, 2016 and one day of admission/grandstand cash receipts from the year ended November 30, 2015 recorded in the receipts ledger and agreed the receipt amount to the supporting documentation (ticket recapitulation sheets/cash register tapes, etc). We noted for both of the days selected, the ticket sales recapitulations did not agree.

For July 28, 2016, the amount recorded in the receipts ledger was \$26,553.

- a. The ticket sales recapitulation reported 3,682 green tickets and 437 red tickets sold on that date.
- b. The admission price per green ticket was \$7, and per red ticket, \$3.
- c. Therefore the recapitulation sheets multiplied by the admissions prices supports admission receipts of \$27,085 for July 28, 2016, which exceeds the amount recorded by \$532.

For July 26, 2015, the amount recorded in the receipts ledger was \$34,858.

- a. The ticket sales recapitulation reported 4,793 blue tickets and 365 orange tickets sold on that date.
- b. The admission price per blue ticket was \$7, and per orange ticket, \$3.
- c. Therefore the recapitulation sheets multiplied by the admissions prices supports admission receipts of \$34,646 for July 26, 2015, which is less than the amount recorded by \$212.

### **Privilege Fee Receipts**

We haphazardly selected 10 privilege fee cash receipts from the year ended November 30, 2016 and 10 privilege fee cash receipts from the year ended November 30, 2015 recorded in the duplicate cash receipts book and:

- a. Agreed the receipt to the amount recorded in the Receipt Ledger. The amounts agreed.
- b. Compared the rates charged with rates in force during the period. We noted for the year ended November 30, 2016, two receipts were missing the concession sales slip used to recalculate the fees, and one concession sales slip did not properly recalculate, resulting in an underpayment to the Society of \$20. We also noted for the year ended November 30, 2015, two of the concession sales slips did not recalculate properly, resulting in an overpayment to the Society of \$54, and an underpayment to the Society of \$52, respectively.
- c. Confirmed the 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, 2016 and 10 rental cash receipts from the year ended November 30, 2015 recorded in the duplicate cash receipts book and:

- a. Agreed the receipt amount to the amount recorded in the Receipt Ledger. The amounts agreed.
- b. Agreed the rate charged with rates in force during the period. We found no exceptions.
- c. Inspected the receipts ledger to determine whether the receipt was recorded in the proper year. We found no exceptions.

### **Debt**

1. The prior audit documentation disclosed a bond purchased by the Knox County Commissioners for the purpose of acquiring real property for use by the Knox County Fair Board. Per an agreement between the Society and Knox County, the Society agreed to make payments on the bond with Knox County on a semi-annual, alternating basis. We also noted the Society financed a tractor on September 6, 2013, to be paid in 60 monthly installments, this debt was not included in the prior audit documentation.
2. We inquired of management, and inspected the receipt and expenditure records for evidence of loan or credit agreements, and bonded, note, County, or mortgage debt issued during 2016 or 2015 or debt payment activity during 2016 or 2015. All debt noted agreed to the summary we used in step 3.
3. We obtained a summary of debt service payments owed during 2016 and 2015 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 inquired of management, inspected the receipt ledger, and scanned the prior audit report to determine whether the Society had a loan or credit agreement outstanding from a prior year as permitted by Ohio Rev. Code Section 1711.13(B). We recalculated the Society's computation supporting that the total net indebtedness from loans and credit did not exceed twenty-five percent of its annual revenues. We found no exceptions.

### **Non-Payroll Cash Disbursements**

1. We haphazardly selected ten disbursements from the General Ledger Report for the year ended November 30, 2016 and ten from the year ended 2015 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 General Ledger 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.

### **Other Compliance**

1. Ohio Rev. Code Section 117.38 requires Agricultural Societies to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. We confirmed the Society filed their complete financial statements, as defined by AOS Bulletin 2016-007, within the allotted timeframe for the years ended November 30, 2016 and 2015 in the Hinkle System. No exceptions were found.

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

This report is for the use of the Society to assist in evaluating its receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended November 30, 2016 and 2015, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Julian E. Grube, Inc.".

Julian & Grube, Inc.  
May 10, 2017





# Dave Yost • Auditor of State

**KNOX COUNTY AGRICULTURAL SOCIETY**

**KNOX 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 3, 2017**