



**BELLVILLE INDEPENDENT AGRICULTURAL SOCIETY
RICHLAND COUNTY**

AGREED-UPON PROCEDURES

FOR THE YEARS ENDED NOVEMBER 30, 2011-2010



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Bellville Independent Agricultural Society
Richland County
131 Main Street
Bellville, Ohio 44813

We have performed the procedures enumerated below, with which the Board of Directors and the management of the Bellville Independent Agricultural Society, Richland 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, 2011 and 2010, 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, 2011 and November 30, 2010 bank reconciliations. We found no exceptions.
2. We agreed the December 1, 2009 beginning fund balances recorded to the November 30, 2009 balances in the prior Agreed-Upon Procedures working papers. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the November 30, 2011 and 2010 fund cash balance reported in the Annual Financial Report. The amount agreed for November 30, 2010. The amount did not agree for November 30, 2011. We noted the reconciliation's balance was \$100 more than the amount on the Annual Financial Report. We discussed this variance with the Treasurer who informed us it related to a check which was voided from the activity included on the Annual Financial Report after the bank reconciliation was printed. We recommend the Society ensure its Annual Financial Report cash balance agrees to its bank reconciliation cash balance and if adjustments are made to either item after their initial preparation that new documents be printed and retained.
4. We confirmed the November 30, 2011 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, 2011 bank reconciliation without exception.

Cash (continued)

5. We selected five reconciling debits (such as outstanding checks) haphazardly from the November 30, 2011 bank reconciliation:
 - a. We traced each debit to the subsequent December bank statement. We found no exceptions.
 - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to November 30. We noted no exceptions.

Privilege Fee Receipts

We haphazardly selected 10 privilege fee cash receipts from the year ended November 30, 2011 and 10 privilege fee cash receipts from the year ended November 30, 2010 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.

Junior Livestock Auction

We selected three livestock auction sales from the year ended November 30, 2011 and three livestock auction sales from the year ended November 30, 2010. For each sale, we:

- a. Agreed the sale amount recorded in the cash receipts book to:
 - i. The auction bid records.
 - ii. Bank deposit from the sale
 - iii. The seller's invoice
 - iv. The amount on the check written to the seller.

We found no exceptions.

- b. Also agreed the auction bid records to:
 - i. The buyer's invoice amount
 - ii. Bank deposit for the purchase

We found no exceptions.

Unrestricted Cash Receipts

We haphazardly selected 10 unrestricted cash receipts from the year ended November 30, 2011 recorded in the receipts folder and determined whether the:

- a. Receipt amount agreed to the amount recorded in the Account QuickReport. The amounts agreed.
- b. Amount charged complied with rates in force during the period. We found no exceptions.
- c. Receipt was posted to the proper fund(s), and was recorded in the proper year. We found no exceptions.

Debt

1. From the prior agreed-upon procedures documentation, we noted the following note outstanding as of November 30, 2009. These amounts agreed to the Societies December 1, 2009 balances on the summary we used in step 3.

Issue
Promissory Note for Building

**Principal outstanding as
of November 30, 2009:**
\$21,747

Debt (continued)

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 2011 or 2010 or debt payment activity during 2011 or 2010. All debt noted agreed to the summary we used in step 3.
3. We obtained a summary of debt service payments owed during 2011 and 2010 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 noted the Society made one mortgage payment on May 30, 2010 of \$2,111 which agreed to its amortization schedule. We noted a payment was due on November 30, 2010 but was not made until December 6, 2010; and instead of paying the amount indicated on the amortization schedule a \$10,000 payment was made instead. We additionally noted a \$2,111 payment made on May 20, 2011, and a \$2,111 payment made on November 21, 2011, both of which agreed to the original amortization schedule. The principal balance due at November 30, 2011 was \$7,606. We recommend the Society make all debt payments by the required due dates. If late payments or additional payments occur, a revised amortization schedule should be obtain and followed.

Non-Payroll Cash Disbursements

We haphazardly selected ten disbursements from the Check Register for the year ended November 30, 2011 and ten from the year ended 2010 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 Check Register 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: Any adjustment with the Annual Financial Statement will be corrected by the Treasurer.

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, those charged with governance, and others within the Society, and is not intended to be, and should not be used by anyone other than these specified parties.



Dave Yost
Auditor of State

May 4, 2012



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BELLVILLE INDEPENDENT AGRICULTURAL SOCIETY

RICHLAND 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
JUNE 14, 2012**