



Dave Yost • Auditor of State





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

Putnam County Agricultural Society  
Putnam County  
P.O. Box 47  
Ottawa, Ohio 45875-0047

We have performed the procedures enumerated below, with which the Board of Directors and the management of Putnam County Agricultural Society, Putnam 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, 2012 and 2011, 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, 2012 and November 30, 2011 bank reconciliations. We found no exceptions.
2. We compared the December 1, 2010 beginning fund balances recorded to the November 30, 2010 balances in documentation in the prior year Agreed-Upon Procedures working papers. We found the December 1, 2010 beginning fund balance was \$1,500 more than was documented in the prior year Agreed Upon Procedures working papers due to certain checks being voided subsequent to November 30, 2010. We also agreed the December 1, 2011 beginning fund balances recorded to the November 30, 2011 balances. We found the December 1, 2011 beginning fund balance was \$573 more than the November 30, 2011 balance due to certain checks being voided subsequent to November 30, 2011.
3. We agreed the totals per the bank reconciliations to the total of the November 30, 2012 and 2011 fund cash balance reported in the Balance Sheet Reports. The amounts agreed.
4. We confirmed the November 30, 2012 bank account balances with the Society's financial institutions. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the November 30, 2012 bank reconciliations without exception.

### **Admission/Grandstand Receipts**

We haphazardly selected one day of admission/grandstand cash receipts from the year ended November 30, 2012 and one day of admission/grandstand cash receipts from the year ended November 30, 2011 recorded in the receipts ledger and determined whether the receipt amount agreed to the supporting documentation (ticket recapitulation sheets/cash register tapes, etc). The grandstand amounts agreed for June 22, 2012, the day we tested from 2012, and for June 24, 2011, the day we tested from 2011.

For June 22, 2012, the amount recorded in the receipts ledger for July 22, 2012 for admissions was \$12,505

- a. The ticket sales recapitulation reported 2,497 tickets sold on that date.
- b. The admission price per ticket was \$5.
- c. Therefore the recapitulation sheet multiplied by the admission price supports admission receipts of \$12,485 for June 22, 2012, which is \$20 less than the amount reported. The difference was properly noted on the recapitulation sheet.

### **Privilege Fee Receipts**

We haphazardly selected 10 privilege fee cash receipts from the year ended November 30, 2012 and 10 privilege fee cash receipts from the year ended November 30, 2011 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.

### **Rental Receipts**

We haphazardly selected 10 rental cash receipts from the year ended November 30, 2012 and 10 rental cash receipts from the year ended November 30, 2011 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.

### **Sustaining and Entry (Purse) Receipts and Disbursements**

We obtained copies of race schedules approved by the Board of Directors. We selected one race day from the year ended November 30, 2011 and performed the following steps:

- a. Traced authorized race date to the cash receipt ledger postings and determined whether there are purse receipt postings for the authorized race day. The cash receipts ledger reported wagering receipts for the authorized date.
- b. Traced authorized race date to the cash disbursement ledger postings and determined whether there were purse disbursement postings for the authorized race day. The cash disbursements ledger reported wagering disbursements for the authorized dates.

### **Over-The-Counter Cash Receipts**

We haphazardly selected 10 over-the-counter cash receipts from the year ended November 30, 2012 and 10 over-the-counter cash receipts from the year ended November 30, 2011 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 posted to the proper fund, and was recorded in the proper year. We found no exceptions

**Debt**

1. From the prior agreed-upon procedures documentation, we noted the following loan outstanding as of November 30, 2010. The amount agreed to the Society's December 1, 2010 balance on the summary we used in step 3.

| Issue     | Principal outstanding as of November 30, 2010: |
|-----------|--|
| 2010 Loan | \$12,968                                       |

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 2012 or 2011 or debt payment activity during 2012 or 2011. All debt noted agreed to the summary we used in step 3.
3. We obtained a summary of debt service payments owed during 2012 and 2011 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. The amounts agreed.
5. For new debt issued during 2012 and 2011, we inspected the debt legislation, noting the Society must use the proceeds for operations. We scanned the expenditure ledgers and noted the Society had only operating expenditures in 2012 or 2011.
6. We inquired of management, scanned the receipt ledger, and scanned the prior agreed upon procedures report and determined that the Society had a loan outstanding from a prior year and obtained loans in 2012 and 2011 as permitted by Ohio Rev. Code Section 1711.13(B). We examined the Society's computation supporting that the total net indebtedness from loans did not exceed twenty-five percent of its annual revenues. We found no exceptions.

**Non-Payroll Cash Disbursements**

1. From the Expenditure report, we re-footed checks recorded as disbursements for contractual entertainment for 2012. We found no exceptions.
2. We haphazardly selected ten disbursements from the Expenditure Report for the year ended November 30, 2012 and ten from the year ended November 30, 2011 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.

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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.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State

August 21, 2013



# Dave Yost • Auditor of State

**PUTNAM AGRICULTURAL SOCIETY**

**PUTNAM 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  
SEPTEMBER 03, 2013**