

HOLMES COUNTY AGRICULTURAL SOCIETY

HOLMES COUNTY, OHIO

AGREED UPON PROCEDURES

For the Years Ended November 30, 2012 and 2011





Dave Yost • Auditor of State

Board of Directors
Holmes County Agricultural Society
P.O. Box 232
Millersburg, Ohio 44654

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Holmes County Agricultural Society, Holmes County, prepared by Charles E. Harris & Associates, Inc., for the period December 1, 2010 through November 30, 2012. 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. The Holmes 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

September 24, 2013

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HOLMES COUNTY AGRICULTURAL SOCIETY
HOLMES COUNTY
Audit Report
For the Years Ended November 30, 2012 and 2011

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Charles E. Harris & Associates, Inc.
Certified Public Accountants

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Holmes County Agricultural Society
Holmes County
P.O. Box 232
Millersburg, Ohio 44654

We have performed the procedures enumerated below, with which the Board of Directors and the management of the Holmes County Agricultural Society (the Society) and the Auditor of State 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 and Investments

1. We tested the mathematical accuracy of the November 30, 2012 and November 30, 2011 bank reconciliations. We found no exceptions.
2. We agreed the December 1, 2010 beginning fund balances recorded to the November 30, 2010 balances in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the December 1, 2011 beginning fund balances recorded to the November 30, 2011 balances. We found no exceptions.
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 Cash Journal. The amounts agreed.
4. We confirmed the November 30, 2012 bank account balance with the Society's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the November 30, 2012 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the November 30, 2012 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.

6. We tested investments held at November 30, 2012 and November 30, 2011 to determine that they:
 - a. Were of a type authorized by Ohio Rev. Code Sections 135.13, 135.14 or 135.144. We found no exceptions.
 - b. Mature within the prescribed time limits noted in Ohio Rev. Code Section 135.13 or 135.14. We noted no exceptions.

Intergovernmental and Other Confirmable Cash Receipts

1. We selected all the receipts from the Distribution Transaction Detail Report (State DTL) for 2012 and 2011. We also selected five receipts from the Holmes County Auditor's Cross Reference Report from 2012 and five from 2011.
 - a. We compared the amount from the above reports 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/Grandstand Receipts

We haphazardly selected one day of admission cash receipts and one day of grandstand cash receipts from the year ended November 30 2012 and one day of admission cash receipts and one day of 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).

For August 9, 2011, the amount recorded in the receipts ledger for August 9, 2011 was \$9,890 general admission and \$74 for season pass reimbursement.

- a. The ticket sales recapitulation reported 1791 adult tickets sold on that date and 239 senior citizen tickets sold on that date.
- b. The admission price per ticket was \$5 for adult tickets and \$4 for senior citizen tickets.
- c. Therefore the recapitulation sheet multiplied by the admission price supports admission receipts of \$9,911 for August 9, 2011, which is less than the amount recorded by \$53.

For August 11, 2012, the amount recorded in the receipts ledger for August 11, 2012 was \$15,195.

- a. The ticket sales recapitulation reported 2863 adult tickets sold on that date and 232 senior citizen tickets sold on that date.
- b. The admission price per ticket was \$5 for adult tickets and \$4 for senior citizen tickets.
- c. Therefore the recapitulation sheet multiplied by the admission price supports admission receipts of \$15,243 for August 11, 2012, which exceeds the amount recorded by \$48.

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.

Debt

1. The prior agreed-upon procedures documentation disclosed no debt outstanding as of November 30, 2010.
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 agreed these payments from the expenditure ledger to the related debt amortization schedule. 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 did not agree the amount of debt proceeds from the debt documents to amounts recorded in the Receipt Ledger as the proceeds, not the corresponding capital outlay payment, were posted to the records. The Society should ensure all transactions made are recorded on their books.
5. For new debt issued during 2012, we inspected the debt legislation, noting the Society must use the proceeds to purchase a house and parcel of land associated with that house. We noted the Society obtained the deed to the house and parcel of land on July 30, 2012. Because the debt proceeds were not recorded properly in step 4, no expenditure was recorded for the purchase of this asset.
6. We inquired of management, scanned the receipt ledger, and scanned the prior agreed upon procedures report and determined that the Society obtained a loan or credit line in 2012 as permitted by Ohio Rev. Code Section 1711.13(B). We examined 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.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2012 and one payroll check for five employees from 2011 from the Payroll Register and:
 - a. We compared the hours and pay rate, or salary recorded in the Payroll Register to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
 - b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. We found no exceptions.
2. We scanned the last remittance of tax and retirement withholdings for the year ended November 30, 2012 to determine whether remittances were timely paid, and that the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2012. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes, social security, & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2013	December 31, 2012	\$630.00	\$630.00
State income taxes	January 31, 2013	December 31, 2012	\$51.69	\$51.69

Non-Payroll Cash Disbursements

1. From the Expenditure report, we re-footed checks recorded as disbursements for equipment and grounds maintenance 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.

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 the Auditor of State, and others within the Society, and is not intended to be, and should not be used by anyone other than these specified parties.



Charles E. Harris & Associates, Inc.
 July 11, 2013

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Dave Yost • Auditor of State

HOLMES COUNTY AGRICULTURAL SOCIETY

HOLMES 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
OCTOBER 8, 2013**