

**POWELL COMMUNITY IMPROVEMENT CORPORATION**

**(A Component Unit of the City of Powell)**

**Delaware County, Ohio**

**BASIC**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

**DEBRA K. MILLER, FINANCE DIRECTOR**





# Dave Yost • Auditor of State

Members of Council  
Powell Community Improvement Corporation  
47 Hall Street  
Powell, Ohio 43065

We have reviewed the Independent Auditor's Report of the Powell Community Improvement Corporation, Delaware County, prepared by Julian & Grube, Inc., for the audit period January 1, 2015 through December 31, 2015. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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 Powell Community Improvement Corporation is responsible for compliance with these laws and regulations.

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

Dave Yost  
Auditor of State

June 2, 2016

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**POWELL COMMUNITY IMPROVEMENT CORPORATION**  
**DELAWARE COUNTY, OHIO**  
**(A Component Unit of the City of Powell)**

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

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Independent Auditor's Report

Powell Community Improvement Corporation  
Delaware County  
47 Hall Street  
Powell, Ohio 43065

To the Board of Trustees:

***Report on the Financial Statements***

We have audited the accompanying financial statements of the Powell Community Improvement Corporation, Delaware County, Ohio, (a not-for-profit corporation), a component unit of the City of Powell, which comprise the statement of financial position, the related statements of activities and cash flows, as of and for the year ended December 31, 2015, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Powell Community Improvement Corporation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Powell Community Improvement Corporation's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Powell Community Improvement Corporation, Delaware County, Ohio, as of December 31, 2015, and the changes in its financial position and its cash flows for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 8, 2016, on our consideration of the Powell Community Improvement Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Powell Community Improvement Corporation's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Julian & Grube, Inc." with a stylized flourish at the end.

Julian & Grube, Inc.  
April 8, 2016

**POWELL COMMUNITY IMPROVEMENT CORPORATION  
DELAWARE COUNTY**

**STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2015**

**ASSETS**

**Current Assets:**

Cash and cash equivalents (Note 1)	\$ 82,568
Accounts receivable	35,815
Donated assets held for resale	<u>708</u>

**TOTAL ASSETS** \$ 119,091

**LIABILITIES AND NET POSITION**

**Current Liabilities:**

Accounts payable	\$ 35,815
Refundable deposits	<u>2,500</u>

**TOTAL LIABILITIES** 38,315

**Net Position:**

Unrestricted	<u>80,776</u>
Total net position	<u>80,776</u>

**TOTAL LIABILITIES AND NET POSITION** \$ 119,091

**The accompanying notes are an integral part of the financial statements.**



**POWELL COMMUNITY IMPROVEMENT CORPORATION  
DELAWARE COUNTY**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2015**

<b>Revenues:</b>	<u><b>Unrestricted</b></u>
Contributions	\$ 36,210
Rental income	<u>28,654</u>
Total revenues	<u>64,864</u>
<b>Expenses:</b>	
Community support	35,502
Administrative charges	<u>1,439</u>
Total expenses	<u>36,941</u>
Change in net position	27,923
Net position at beginning of year	52,853
Net position at end of year	<u>\$ 80,776</u>

**The accompanying notes are an integral part of the financial statements.**

**POWELL COMMUNITY IMPROVEMENT CORPORATION  
DELAWARE COUNTY**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

**Cash flows from operating activities:**

Increase in net position	\$ 27,923
Adjustments to reconcile change in net position to net cash provided by operating activities:	
Increase in accounts receivable	(8,894)
Increase in donated assets held for resale	(708)
Increase in accounts payable	13,812
Increase in refundable deposits	2,500
	<hr/>
Net cash provided by/(used in) operating activities	34,633

**Cash flows from investing activities:**

Net cash provided by investing activities	-
	<hr/>
	-

**Cash flows from financing activities:**

Net cash provided by financing activities	-
	<hr/>
	-

Net increase (decrease) in cash and cash equivalents	34,633
Beginning of period cash	47,935
End of period cash	<u>\$ 82,568</u>

**The accompanying notes are an integral part of the financial statements.**

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**POWELL COMMUNITY IMPROVEMENT CORPORATION  
DELAWARE COUNTY**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

**NOTE 1 – Summary of Significant Accounting Policies:**

**A. Organization**

The Powell Community Improvement Corporation (CIC) was formed pursuant to Ordinance 2010-19 passed on May 5, 2010 and incorporated as a corporation not-for-profit under Section 1702 and 1724 of the Ohio Revised Code. The CIC was created to assist the City in the revitalization and enhancement of property, and to advance, encourage, and promote industrial, economic, commercial and civic development of the City of Powell. The CIC has been designated as the City of Powell's agent for economic development.

**B. Basis of Accounting**

The accounts are maintained and these financial statements are presented on the accrual basis and in conformity with accounting principles generally accepted in the United States of America.

**C. Basis of Presentation**

The financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of financial Accounting Standards (SFAS) 117, Financial Statement for Not-For-Profit Organizations. Under SFAS No. 117 the Corporation is required to report information regarding its financial position and activities according to three classes of net position: unrestricted net position, temporarily restricted net position, and permanently restricted net position. At December 31, 2015, the net position of the CIC is unrestricted.

**D. Cash and Cash Equivalents**

For purposes of the Statement of Cash Flows and for presentation of Financial Position, all cash in checking accounts are considered to be cash and cash equivalents.

**E. Concentration of Credit Risk**

The Corporation maintains its cash account in one commercial bank in Ohio. The cash balance is fully insured within the limits guaranteed by the Federal Deposit Insurance Corporation.

**F. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**G. Tax Exempt Status**

The CIC is exempt from federal income tax under Section 501 (c) (6) of the Internal Revenue Code. The CIC applied to the IRS for 501(C)(4) status in 2014 and is awaiting results.

**POWELL COMMUNITY IMPROVEMENT CORPORATION  
DELAWARE COUNTY**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015  
(Continued)**

**NOTE 2 – Restriction of Net Position**

The Corporation did not have any restrictions on cash as of December 31, 2015.

**NOTE 3 – Contingent Liabilities**

Management believes there are no pending claims or lawsuits.

**NOTE 4 – Risk Management**

The CIC is subjected to certain types of risk in the performance of its normal functions. The Board views this exposure as minimal as the CIC currently has no employees and minimal operating activity. No policy for commercial insurance is currently in place.



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

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

**Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by *Government Auditing Standards***

Powell Community Improvement Corporation  
Delaware County  
47 Hall Street  
Powell, Ohio 43065

To the Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the Powell Community Improvement Corporation, Delaware County, Ohio, (a not-for-profit corporation), a component unit of the City of Powell, as of and for the year ended December 31, 2015 and the related notes to the financial statements, which collectively comprise the Powell Community Improvement Corporation's basic financial statements and have issued our report thereon dated April 8, 2016.

**Internal Control Over Financial Reporting**

As part of our financial statement audit, we considered the Powell Community Improvement Corporation's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Powell Community Improvement Corporation's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Powell Community Improvement Corporation's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Board of Trustees  
Powell Community Improvement Corporation

### **Compliance and Other Matters**

As part of reasonably assuring whether the Powell Community Improvement Corporation's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

### **Purpose of this Report**

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Powell Community Improvement Corporation's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Powell Community Improvement Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Julian & Grube, Inc.  
April 8, 2016

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# Dave Yost • Auditor of State

## POWELL COMMUNITY IMPROVEMENT CORPORATION DELAWARE 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 16, 2016