

**CONVENTION AND VISITORS BUREAU  
OF WORTHINGTON, INC.**

FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITOR'S REPORT

For the years ended December 31, 2003 and 2002





**Auditor of State  
Betty Montgomery**

Board of Trustees  
Convention and Visitors Bureau of Worthington, Inc.  
P.O. Box 225  
Worthington, Ohio 43085

We have reviewed the Independent Auditor's Report of the Convention and Visitors Bureau of Worthington, Inc., Franklin County, prepared by Cotterman-Wilson CPAs, Inc., for the audit period January 1, 2002 through December 31, 2003. 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 Convention and Visitors Bureau of Worthington, Inc. is responsible for compliance with these laws and regulations.

*Betty Montgomery*

BETTY MONTGOMERY  
Auditor of State

September 15, 2004

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# COTTERMAN-WILSON

Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Convention and Visitors Bureau of Worthington, Inc.

We have audited the accompanying statements of cash receipts and disbursements of the Convention and Visitors Bureau of Worthington, Inc. (an Ohio not-for-profit corporation) for the years ended December 31, 2003 and 2002. These financial statements are the responsibility of the management of the Convention and Visitors Bureau of Worthington, Inc. Our responsibility is to express an opinion on this financial statements based on our audits.

We conducted our audits in accordance with United States generally accepted auditing standards and the standards applicable to audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note A, the financial statements were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash receipts and disbursements of the Convention and Visitors Bureau of Worthington, Inc. for the years ended December 31, 2003 and 2002, in conformity with the basis of accounting described in Note A.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 16, 2004, on our consideration of the Convention and Visitors Bureau of Worthington, Inc. internal controls over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of the audits performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audits.

This report is intended solely for the information and use of the Board of Trustees and other officials authorized to receive this report under Section 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

*Cotterman - Wilson CPAs, Inc.*

Worthington, Ohio  
July 16, 2004

CONVENTION AND VISITORS BUREAU OF WORTHINGTON, INC.

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

For the years ended December 31,

	<u>2003</u>	<u>2002</u>
CASH RECEIPTS		
Bed tax income	\$ 89,679	\$ 79,118
Interest income	148	117
Membership dues	<u>4,113</u>	<u>3,647</u>
	93,940	82,882
CASH DISBURSEMENTS		
Payroll and payroll taxes	44,069	43,693
Advertising and promotion	25,033	18,046
Payroll fees	1,516	1,176
Professional fees	-	2,662
Convention and conference	-	2,353
Dues and subscriptions	2,031	1,938
Office supplies	2,518	1,306
Insurance	3,736	3,163
Postage	2,049	1,439
Printing	722	151
Rent	4,080	3,990
Telephone	3,041	3,648
Travel and entertainment	<u>589</u>	<u>2,353</u>
	<u>89,384</u>	<u>85,918</u>
EXCESS CASH RECEIPTS/(DISBURSEMENTS)	4,556	(3,036)
CASH		
Beginning of year	<u>9,647</u>	<u>12,683</u>
End of year	<u>\$ 14,203</u>	<u>\$ 9,647</u>

See accompanying notes and independent auditor's report.

CONVENTION AND VISITORS BUREAU OF WORTHINGTON, INC.

NOTES TO FINANCIAL STATEMENT

For the years ended December 31, 2003 and 2002

**NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The following accounting principles and practices of Convention and Visitors Bureau of Worthington, Inc. (the Bureau) are set forth to facilitate the understanding of data presented in the financial statements.

The Bureau is a private not-for-profit organization that was organized to enhance and promote the City of Worthington as a meeting place for conventions and conferences, and as an attraction for tourists.

1. *Basis of Accounting*

The Bureau prepares its financial statements using the cash receipts and disbursements basis of accounting. Under this basis, transactions are recognized when cash is received or cash is disbursed. The only asset is cash and liabilities are not recognized. Noncash transactions, primarily bed tax income receivable and accounts payable to vendors are not recognized in the accompanying financial statements.

A financial statement in conformity with United States generally accepted accounting principles (GAAP) would require the accrual of revenues when earned or upon commitments from grantors and the recognition of expenses when incurred. Accordingly, this financial statement is not intended to be in accordance with United States generally accepted accounting principles.

2. *Income Taxes*

The Bureau is exempt from federal income taxes under Section 501(c)(6) of the Internal Revenue Code.

3. *Concentrations*

Approximately ninety percent of the Bureau's receipts are from the City of Worthington's Bed Tax, which is authorized by city ordinance No. 116-92.

4. *Advertising Costs*

Advertising costs are charged to operations in the year paid and totaled \$25,033 and \$18,046 for the years ended December 2003 and 2002.

5. *Lease*

The Bureau's executive office is leased on a month-to-month basis.

# COTTERMAN-WILSON

Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF THE FINANCIAL STATEMENT PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors  
Convention and Visitors Bureau of Worthington, Inc.

We have audited the statements of cash receipts and disbursements of the Convention and Visitors Bureau of Worthington, Inc. (the Bureau), for the years ended December 31, 2003 and 2002, and have issued our report thereon dated July 16, 2004. We conducted our audits in accordance with United States generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Compliance

As part of obtaining reasonable assurance about whether the Bureau's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

### Internal Control Over Financial Reporting

In planning and performing our audits, we considered the Bureau's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting, which we have reported to management of the Bureau in a separate letter dated July 16, 2004.

This report is intended solely for the information and use of the Board of Trustees and other officials authorized to receive this report under Section 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

Cotteman - Wilson CPAs, Inc.

Worthington, Ohio  
July 16, 2004





**Auditor of State  
Betty Montgomery**

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**CONVENTION AND VISITORS BUREAU OF WORTHINGTON, INC.**

**FRANKLIN 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 28, 2004**