

**WYANDOT COUNTY VISITORS
& CONVENTION BUREAU
UPPER SANDUSKY, OHIO
REPORT ON AUDITED FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2004**



**Auditor of State
Betty Montgomery**

Board of Trustees
Wyandot County Visitors & Convention Bureau
P. O. Box 357
Upper Sandusky, Ohio 43351-0357

We have reviewed the *Independent Auditors' Report* of the Wyandot County Visitors & Convention Bureau, prepared by Holbrook & Manter, for the audit period January 1, 2004 through December 31, 2005. 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 Wyandot County Visitors & Convention Bureau is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY
Auditor of State

September 20, 2006

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CONTENTS

	PAGE
Independent Auditors' Report.....	3-4
Statements of Assets and Net Assets – Cash Basis	5
Statements of Revenues, Expenses, and Changes in Net Assets – Cash Basis	6
Notes to Financial Statements.....	7-8
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	9-10

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INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
Wyandot County Visitors & Convention Bureau
Upper Sandusky, Ohio

We have audited the accompanying statements of assets and net assets – cash basis of the Wyandot County Visitors & Convention Bureau (a not-for-profit Organization) as of and for the years ended December 31, 2005 and 2004, and the related statements of revenue, expenses, and changes in net assets-cash basis for the years then ended. These financial statements are the responsibility of the Bureau's management. Our responsibility is to express an opinion on these financial statements based on our audits.

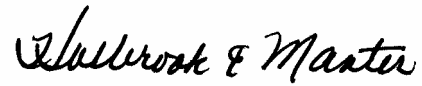
We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform 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 1, the Bureau prepared these financial statements on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United State of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and net assets of the Wyandot County Visitors & Convention Bureau as of December 31, 2005 and 2004, and its revenue, expenses and the changes in its net assets for the years then ended, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2006 on our consideration of the Bureau's internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters.

While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of the testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering and assessing the results of our audit.

A handwritten signature in black ink that reads "Shullbrook & Mantel". The script is cursive and somewhat stylized.

Certified Public Accountants

June 19, 2006
Marion, Ohio

WYANDOT COUNTY VISITORS & CONVENTION BUREAU
UPPER SANDUSKY, OHIO
STATEMENTS OF ASSETS AND NET ASSETS - CASH BASIS
AS OF DECEMBER 31, 2005 AND 2004

	<u>2005</u>	<u>2004</u>
CURRENT ASSETS:-		
Cash and cash equivalents	\$ 11,093	\$ 10,201
Total assets	<u>\$ 11,093</u>	<u>\$ 10,201</u>
 NET ASSETS:-		
Unrestricted	\$ 11,093	\$ 10,201
Total net assets	<u>\$ 11,093</u>	<u>\$ 10,201</u>

The accompanying notes are an integral part of these financial statements.

WYANDOT COUNTY VISITORS & CONVENTION BUREAU
UPPER SANDUSKY, OHIO
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS-CASH BASIS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004

	2005		2004	
CHANGES IN UNRESTRICTED NET ASSETS:-				
REVENUE:-				
Bedtax	\$ 8,763	77.87%	\$ 8,828	73.79%
Memberships	2,340	20.79%	1,845	15.42%
Interest	47	0.42%	77	0.64%
Miscellaneous	104	0.92%	1,214	10.15%
Total revenue	11,254	100.00%	11,964	100.00%
EXPENSES:-				
Wages	534	4.74%	399	3.34%
Telephone	734	6.52%	262	2.19%
Postage	367	3.27%	300	2.51%
Promotions/advertising	2,037	18.10%	4,690	39.20%
Dues & subscriptions	950	8.44%	370	3.09%
Displays	257	2.28%	889	7.43%
Insurance	545	4.84%	545	4.56%
Office expense	1,012	8.99%	3,193	26.69%
Internet services	148	1.32%	159	1.33%
Audit	0	0.00%	2,173	18.17%
Donation	180	1.60%	0	0.00%
Other utilities	441	3.92%	1,037	8.67%
Rent	2,700	23.99%	1,350	11.28%
Miscellaneous	457	4.06%	329	2.73%
Total expenses	10,362	92.07%	15,696	131.19%
Increase (decrease) in net assets	892	7.93%	(3,732)	(31.19%)
Net assets, beginning of the year	10,201		13,933	
Net assets, end of year	\$ 11,093		\$ 10,201	

The accompanying notes are an integral part of these financial statements.

WYANDOT COUNTY VISITORS & CONVENTION BUREAU
UPPER SANDUSKY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:-

Organization - The Wyandot County Visitors & Convention Bureau (the Bureau) was formed on July 29, 1992 as a not-for-profit organization for the purpose of promoting tourism for Wyandot County, Ohio. The organization receives an allocation from the City of Upper Sandusky for a portion of the Transient Guest Tax Collection.

The Bureau's management believes these financial statements present all activities for which the Bureau is financially accountable.

Basis of Presentation - The accompanying financial statements have been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Consequently, receipts are recognized when a payment is made rather than when a liability is incurred. Accordingly, the accompanying statements of revenue, expenses and changes in net assets is not intended to present the financial position and results of operations in conformity with accounting principles accepted in the United State of America.

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

Operating or Unrestricted Net Assets - The operating or unrestricted net assets include unrestricted resources for reporting income and expense, represent the portion of net assets that are not subject to donor-imposed stipulations and are available for the budgeted operations of the Bureau.

Cash and Cash Equivalents - The Now account, Passbook savings, and petty cash are valued at cost.

Property, Plant, and Equipment - Acquisitions of property, plant, and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

Marketing and Advertising Expense - The Bureau regularly incurs various marketing and advertising expenses to promote the Wyandot County area, and are expensed when paid. The amount charged to advertising expense for the years December 31, 2005 and 2004 was \$2,037 and \$4,690, respectively.

WYANDOT COUNTY VISITORS & CONVENTION BUREAU
UPPER SANDUSKY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2004

NOTE 2 - FEDERAL INCOME TAX:-

The Bureau is an organization exempt from federal income tax under Section 501(c)(6) of the Internal Revenue Code, and as a result, a provision for taxes is not required. The Bureau has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) of the Internal Revenue Code.

NOTE 3 - CASH AND CASH EQUIVALENTS:-

The Bureau maintains a Now checking and Passbook savings account and holds petty cash available for small purchases. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash at December 31 follows:

	<u>2005</u>	<u>2004</u>
Now Account	\$ 2,115	\$ 3,243
Passbook Savings	8,878	6,858
Petty Cash	100	100
Total	<u>\$ 11,093</u>	<u>\$ 10,201</u>

NOTE 4 - CONCENTRATION OF RISK:-

During the year 2004, the composition of the board of trustees within the Bureau did not comply with the By-Laws. On January 1, 2005, a revision of the By-Law's was approved and implemented by the board. The composition of the board of trustees was in compliance within the Bureau's By-Law's during 2005.

NOTE 5 - RELIANCE ON BED TAX RECEIPTS:-

The Bureau receives a significant amount of its support from a permissive lodging excise tax. The amount of receipts is solely dependent on the number of hotel rooms in Wyandot County and the occupancy rate of those rooms. The excise tax is collected by the City of Upper Sandusky Auditor's Office. The loss of these receipts would have an adverse effect on the Bureau's financial condition.

NOTE 6 - LEASE OBLIGATIONS:-

On December 31, 2004, the Bureau committed to a lease obligation for office space. The terms of the lease include monthly installments of \$225 over a one year period, at which time the lease would go on a month to month basis at the same monthly installment rate. The office space expense was \$2,700 and \$1,350 for the years ended December 31, 2005 and 2004, respectively.



**Independent Auditors' Report on Internal Control
Over Financial Reporting and on Compliance and Other
Matters Required by *Government Auditing Standards***

The Board of Trustees
Wyandot County Visitors & Convention Bureau
Upper Sandusky, Ohio

We have audited the financial statements of the Wyandot County Visitors & Convention Bureau, (the Bureau), as of and for the years ended December 31, 2005 and 2004, and have issued our report thereon dated June 19, 2006, wherein we noted that the Bureau prepared the financial statements using the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United State of America. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Bureau's internal control over financial reporting to determine our auditing procedures in order to express our opinion on the financial statements and not to opine 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 reportable 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 those misstatements caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses. However, we noted other matters involving internal controls over financial reporting, which we have reported to management of the Bureau in a separate letter dated June 19, 2006.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Bureau'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, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

This report is intended solely for the information and use of the audit or finance committee, management, and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

Hullbrook & Mantel

Certified Public Accountants

June 19, 2006
Marion, Ohio



**Auditor of State
Betty Montgomery**

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

WYANDOT COUNTY VISITORS AND CONVENTION BUREAU

WYANDOT 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 3, 2006**