

**WAYNE COUNTY CONVENTION AND VISITORS BUREAU, INC.
WAYNE COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005



Mary Taylor, CPA

Auditor of State

Board of Trustees
Wayne County Convention and Visitors Bureau, Inc.
428 West Liberty Street
Wooster, Ohio 44691

We have reviewed the *Independent Auditors' Report* of the Wayne County Convention and Visitors Bureau, Inc., prepared by Knox & Knox, CPAs, for the audit period January 1, 2005 through December 31, 2006. 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 Wayne County Convention and Visitors Bureau, Inc. is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

August 22, 2007

This Page is Intentionally Left Blank.

**WAYNE COUNTY CONVENTION AND VISITORS BUREAU, INC
WAYNE COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditors' Report	1
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - General Fund For the Years Ended December 31, 2006 and 2005	2
Notes to the Financial Statements	3
Independent Auditors' Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	6

This page intentionally left blank.

KNOX & KNOX

Accountants and Consultants

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
The Wayne County Convention and Visitors Bureau, Inc.
Wooster, Ohio

We have audited the accompanying statements of cash receipts, disbursements, changes in fund cash balances - General Fund of the Wayne County Convention and Visitors Bureau, Inc., Wayne County, Ohio (a nonprofit organization) (the CVB) as of and for the years ended December 31, 2006, and December 31, 2005. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to reasonably assure 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 presentation of the statement of cash receipts and disbursements. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the CVB has 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 States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash and investments of the CVB as of December 31, 2006 and 2005, and the cash receipts and disbursements 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 28, 2007, on our consideration of the CVB's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance, and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

KNOX & KNOX

Orrville, Ohio
June 28, 2007

**WAYNE COUNTY CONVENTION AND VISITORS BUREAU, INC.
WAYNE COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGES IN FUND CASH BALANCES - GENERAL FUND
FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005**

	2006	2005
Cash Receipts:		
Hotel/Motel Tax	\$176,823	\$177,063
Co-op Marketing	11,000	13,000
Miscellaneous	9,632	9,841
Earnings on Investments	420	354
Total Cash Receipts	197,875	200,258
Cash Disbursements:		
Administrative	107,860	102,508
Operating	25,391	33,715
Advertising	46,427	55,940
Marketing	11,274	13,331
Miscellaneous	182	660
Total Cash Disbursements	191,134	206,154
Total Cash Receipts Over/(Under) Cash Disbursements	6,741	(5,896)
Cash Balance, January 1	37,660	43,556
Cash Balance, December 31	\$44,401	\$37,660

The notes to the financial statements are an integral part of this statement.

This page intentionally left blank.

**WAYNE COUNTY CONVENTION AND VISITORS BUREAU, INC.
WAYNE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2006 AND 2005**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Wayne County Convention and Visitors Bureau, Inc., (the CVB) is a nonprofit organization established to exercise the rights and privileges conveyed to it by the promotion of and laws of the State of Ohio. The CVB is directed by a Board of Trustees. The Board may consist on not less than 9 or more than 15 members. For the year ended December 31, 2006, the Board of Trustees consisted of 11 appointed members. The primary objective of the CVB is the promotion of Wayne County as a convention and tourist location.

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

B. Basis of Accounting

These financial statements follow the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters.

C. Cash

All funds of the CVB were maintained in a non-interest bearing checking account or a money market savings account.

D. Fund Accounting

The CVB uses fund accounting to segregate cash and investments that are restricted as to use. The CVB classifies its funds into a General Fund, which is the general operating fund. There were no restricted funds.

E. Budgetary Process

The CVB is not required to follow budgetary procedures as prescribed by the Ohio Revised Code, however, the CVB uses internal budgets for planning purposes which it adopts annually.

A summary of 2006 and 2005 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

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

G. Income Taxes

The CVB is exempt from federal income taxes pursuant to Section 501 (c) (6) of the Internal Revenue Code and is not subject to Ohio franchise taxes. Therefore, there is no provision for income taxes.

**WAYNE COUNTY CONVENTION AND VISITORS BUREAU, INC.
WAYNE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2006 AND 2005**

2 EQUITY OF POOLED CASH

The carrying amount of cash at December 31 was as follows:

	<u>2006</u>	<u>2005</u>
Demand Deposits	\$44,401	\$37,660

Deposits: Deposits are insured by the Federal Depository Insurance Corporation.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ended December 31, 2006 and 2005 follows:

2006 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$185,560	\$197,875	\$12,315

2006 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Budgeted Expenditures	Actual Expenditures	Variance
General	\$185,560	\$191,134	(\$5,574)

2005 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$169,660	\$200,259	\$30,599

2005 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Budgeted Expenditures	Actual Expenditures	Variance
General	\$169,660	\$200,206	(\$30,546)

4. HOTEL/MOTEL TAX

Wayne County provides funding to the CVB by remitting collections from the County's hotel/motel tax.

5. RISK MANAGEMENT

The CVB has obtained commercial insurance for general liability risks.

KNOX & KNOX

Accountants and Consultants

REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY GOVERNMENT AUDITING STANDARDS

To the Board of Trustees of
The Wayne County Convention and Visitors Bureau, Inc.
Wooster, Ohio

We have audited the Statement of Cash Receipts, Disbursements, and Changes in Fund Cash Balances - General Fund of the Wayne County Convention and Visitors Bureau, Wayne County, Ohio (the CVB) (a nonprofit organization), as of and for the years ended December 31, 2006 and 2005, and have issued our report thereon dated June 28, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the CVB's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, 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 audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the CVB's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statement and not to provide an opinion 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 internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud 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.

This report is intended for the information and use of the audit committee, management, and the Board of Trustees, and should not be used by anyone other than these specified parties.

KNOX & KNOX

Orrville, Ohio
June 28, 2007



Mary Taylor, CPA
Auditor of State

CONVENTION AND VISITORS BUREAU, INC.

WAYNE 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 4, 2007**