

**Audited Financial Statements and
Other Financial Information**

Akron/Summit Convention & Visitors Bureau, Inc.

December 31, 2007

A large, light blue, stylized letter 'B' is positioned in the background, partially overlapping a blue triangular graphic that points from the top left towards the bottom right.

BRUNER-COX LLP

Business Consultants & Certified Public Accountants



Mary Taylor, CPA
Auditor of State

Board of Directors
Akron-Summit Convention & Visitors Bureau, Inc.
77 East Mill Street
Akron, Ohio 44308-1401

We have reviewed the *Independent Auditors' Report* of the Akron-Summit Convention & Visitors Bureau, Inc., Summit County, prepared by Bruner-Cox, LLP, for the audit period January 1, 2007 through December 31, 2007. 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 Akron-Summit Convention & Visitors Bureau, Inc. is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

October 6, 2008

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Akron/Summit Convention & Visitors Bureau, Inc.
Akron, Ohio

We have audited the accompanying statement of net assets of Akron/Summit Convention & Visitors Bureau, Inc. as of December 31, 2007, and the related statements of revenue, expenses and changes in net assets, and of cash flows for the year then ended. These financial statements are the responsibility of ASCVB'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 obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control financial reporting as a basis for designing audit procedures that are appropriate in the circumstances but not for expressing an opinion on the effectiveness of the organization's internal control over financial reporting. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets of Akron/Summit Convention & Visitors Bureau, Inc. as of December 31, 2007, and the results of their operations and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated September 15, 2008 on our consideration of Akron/Summit Convention & Visitors Bureau, Inc.'s control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, agreements, and other matters. 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 and should be read in conjunction with this report in considering the results of our audit.

Board of Directors
Akron/Summit Convention & Visitors Bureau, Inc.

The management's discussion and analysis information on pages 3 - 6 are not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consist principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Bruner • Cox, LLP

Canton, Ohio
September 15, 2008

MANAGEMENT DISCUSSION AND ANALYSIS

AKRON/SUMMIT CONVENTION & VISITORS BUREAU, INC.

For the year ended December 31, 2007

The following Management Discussion and Analysis (MD&A) provides a summary overview of the financial performance of the Akron Summit Convention and Visitors Bureau, Inc. (herein referred to as the ASCVB) for the year ended December 31, 2007. This information in the MD&A should be read in conjunction with ASCVB's financial statements and corresponding notes to the financial statements.

Financial Highlights

- Assets exceeded liabilities for ASCVB by \$1,901,971
- Net assets increased for ASCVB by \$201,625

Retroactive Change in Accounting for Revenue

In prior years, ASCVB recognized income from space rental at the time an agreement was signed. This method was not in accordance with generally accepted accounting principles. During the year ended December 31, 2007, ASCVB retroactively changed its method of accounting for space income to the accrual basis in accordance with generally accepted accounting principles.

Overview of the Financial Statements

ASCVB's financial statements are prepared on the accrual basis in accordance with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB).

The basic financial statements of ASCVB together with the notes, which are essential to a full understanding of the data contained in the financial statements, are the following:

- Statement of Net Assets – This statement presents information on all ASCVB's assets and liabilities, with the difference between the two reported as net assets.
- Statement of Revenues, Expenses and Changes in Net Assets – This statement shows how ASCVB's net assets have changed during the most recent year. Revenue is reported generally when earned, and expenses are reported when incurred.
- Statement of Cash Flows – This statement reports cash and cash equivalent activities for the year resulting from operating, capital and related financial activities, and investing activities.
- The notes to the financial statements provide additional information that is essential to a full understanding of the financial statements.

MANAGEMENT DISCUSSION AND ANALYSIS
AKRON/SUMMIT CONVENTION & VISITORS BUREAU, INC.

For the year ended December 31, 2007

Financial Analysis of ASCVB's Net Assets and Revenues, Expenses and Changes in Net Assets

The tables below provide a summary of ASCVB's financial position and operations for 2007 and 2006, respectively. ASCVB implemented Governmental Accounting Standards Board Statement 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments in 2007. Certain amounts may vary slightly due to differences caused by rounding to thousands.

Condensed Statements of Net Assets
December 31,
(Amounts in Thousands)

	2007	Restated 2006	Change
Current assets	\$ 1,749	\$ 1,468	\$ 281
Property and equipment, net of accumulated depreciation	599	814	(215)
Other assets	552	457	95
Total assets	\$ 2,900	\$ 2,739	\$ 161
Current liabilities	\$ 455	\$ 394	\$ 61
Long-term liabilities	543	645	(102)
Total liabilities	\$ 998	\$ 1,039	\$ (41)
Unrestricted	\$ (265)	\$ (368)	\$ 103
Restricted for capital assets	2,167	2,068	99
Total net assets	\$ 1,902	\$ 1,700	\$ 202

During 2007, net assets increased by \$201,625. The majority of this increase was due to the following:

Cash and investments increased by \$293,984 as a result of an increase in bed tax and a reduction in expenses. Overall liabilities decreased by \$40,904 as a result of a decrease in payables and long-term debt as well as an increase in customer deposits and deferred revenue. The outlook for 2008 indicates an increase in net assets as a result of an increase in scheduled events.

MANAGEMENT DISCUSSION AND ANALYSIS
AKRON/SUMMIT CONVENTION & VISITORS BUREAU, INC.

For the year ended December 31, 2007

The following table summarized the changes in revenues and expenses for ASCVB between 2006 and 2007:

Condensed Statements of Revenues, Expenses, and Changes in Net Assets
Years ended December 31,
(Amounts in Thousands)

	2007	Restated 2006	Change
OPERATING REVENUES			
Hotel/motel tax	\$ 2,400	\$ 1,953	\$ 447
Space, food and ancillary service	2,210	2,232	(22)
Total operating revenue	4,610	4,185	425
OPERATING EXPENSES			
Payroll and benefits	2,032	2,026	6
Property insurance	114	137	(23)
Utilities	441	434	7
Advertising and promotion	294	377	(83)
Supplies	45	46	(1)
Maintenance and repairs	169	176	(7)
Contracted services	336	394	(58)
Food services	675	638	37
Other	207	207	-
Bad debt expense - net of recoveries	(91)	-	(91)
Total expenses	4,222	4,435	(213)
Operating income before depreciation	388	(250)	638
Depreciation	250	276	(26)
Operating income after depreciation	138	(526)	664
NONOPERATING			
Investment and other income	64	67	(3)
Net change in assets	\$ 202	\$ (459)	\$ 661

Operating Revenues

Operating revenues consist of a portion of Hotel/Motel taxes collected on rooms occupied. These revenues are a function of price and occupancy. A hotel/motel tax is levied by Summit County, Ohio and the City of Akron; these taxes are collected by the County and distributed as revenue to ASCVB for operations. The remaining revenues largely come from convention facility sales. There was a 1% increase to the bed tax during 2007.

MANAGEMENT DISCUSSION AND ANALYSIS
AKRON/SUMMIT CONVENTION & VISITORS BUREAU, INC.

For the year ended December 31, 2007

Operating Expenses

Operating expenses decreased by \$122,000 primarily due to reduction in costs for insurance, advertising and contracted services. ASCVB's commitment to containing costs is evident with this reduction in the expenses.

Capital Assets

At the end of 2007, ASCVB had \$599,164, net of accumulated depreciation, invested in capital assets. The investment in capital assets includes improvement to the John S. Knight Convention Center. There were no significant asset purchases in 2007.

Capital asset acquisitions are capitalized at cost and depreciated using the straight-line method, based upon estimated useful lives of the assets.

Economic Factors

Despite strained economic factors, ASCVB has been able to contain costs. A slight increase in the bed tax from 3% to 4% in 2007 has increased available cash and resulted in a positive change in net assets. ASCVB anticipates a flat revenue stream and will continue to contain costs to stay within the operating budget.

Contacting ASCVB's Financial Management

This report is designed to provide a general overview of ASCVB's finance for all interested parties. Questions and requests for additional information regarding this report should be addressed to the Executive Director, Akron Summit Convention and Visitor's Bureau, 77 E Mill St, Akron, Ohio 44308.

STATEMENT OF NET ASSETS

AKRON/SUMMIT CONVENTION & VISITORS BUREAU, INC.

December 31, 2007

ASSETS

Current assets

Cash and cash equivalents	\$ 522,120
Short-term investments	293,984
Accounts receivable less allowance for doubtful accounts of \$50,000	183,899
Accounts receivable - Summit County	606,035
Prepaid expenses	92,679
Inventory	50,058

Total current assets 1,748,775

Capital assets

Property and equipment, net of accumulated depreciation	599,164
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Long-term assets

Accounts receivable, net of current	551,847
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Total assets \$ 2,899,786

LIABILITIES AND NET ASSETS

Current liabilities

Accounts payable	\$ 75,830
Accrued expenses	67,347
Capital lease obligation	2,006
Deferred revenues and customer deposits	310,044

Total current liabilities 455,227

Long-term liabilities

Deferred revenue and customer deposits, net of current	542,588
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Total liabilities \$ 997,815

Net assets

Unrestricted	\$ (264,499)
Restricted for capital assets	2,166,470

Total net assets \$ 1,901,971

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

STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS

AKRON/SUMMIT CONVENTION & VISITORS BUREAU, INC.

For the year ended December 31, 2007

OPERATING REVENUES

City of Akron	\$ 200,000
Summit County	2,199,164
Space income	326,512
Food service	1,222,534
Ancillary service	662,092

Total operating revenues 4,610,302

OPERATING EXPENSES

Salaries and wages	1,670,808
Payroll taxes and employee benefits	360,524
Property insurance	114,064
Telephone	39,022
Utilities	401,964
Promotion	146,718
Bad debt expense - net of recoveries	(91,217)
Advertising and printing	146,951
Office supplies and accessories	13,214
Postage	24,921
Dues and subscriptions	6,640
Professional fees	71,172
Travel	33,446
Maintenance and repairs	168,806
Contracted services	336,114
Food services	675,410
Auto lease	16,233
Audiovisual	31,925
Trust fees	1,319
Trade shows	11,935
Video conferencing	12,099
Miscellaneous	29,985

Total operating expenses 4,222,053

Operating income before depreciation 388,249

Depreciation 250,348

Operating income 137,901

STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS (CONTINUED)

AKRON/SUMMIT CONVENTION & VISITORS BUREAU, INC.

For the year ended December 31, 2007

NONOPERATING REVENUES	
Investment and other income	\$ 63,724
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Change in net assets	201,625
NET ASSETS, BEGINNING OF YEAR - AS PREVIOUSLY REPORTED	2,407,186
ADJUSTMENT APPLICABLE TO PRIOR YEAR'S RETROACTIVE CHANGE IN ACCOUNTING FOR REVENUE (Note 2)	(706,840)
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NET ASSETS, BEGINNING OF YEAR - AS RESTATED	1,700,346
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NET ASSETS, END OF YEAR	\$ 1,901,971
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The accompanying notes are an integral part of the financial statements.

STATEMENT OF CASH FLOWS

AKRON/SUMMIT CONVENTION & VISITORS BUREAU, INC.

For the year ended December 31, 2007

CASH FLOWS FROM OPERATIONS	
Cash received from customers, taxes and subsidies	\$ 4,572,290
Cash payments to suppliers for goods and services	(2,220,975)
Cash payments to employees for services	(2,019,944)
	<hr/>
Cash provided by operations	331,371
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES	
Payments on note payable and capital leases	(3,250)
	<hr/>
Cash used in capital financing activities	(3,250)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of property and equipment	(35,939)
Purchase of investments	(292,993)
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Cash used in investing activities	(328,932)
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Decrease in cash and cash equivalents	(811)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	522,931
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CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 522,120
	<hr/> <hr/>
CASH FLOWS FROM OPERATING ACTIVITIES	
Increase (decrease) in net assets	\$ 201,625
Noncash items included in increase (decrease) in net assets	
Depreciation	250,348
Unrealized gain on investments	(991)
Changes in assets and liabilities	
Accounts receivable	(735,746)
Accounts receivable - Summit County	(606,035)
Inventory	(50,058)
Prepaid expenses	(92,679)
Accounts payable	75,830
Accrued expenses	67,347
Deferred revenues	852,632
	<hr/>
Cash provided by operating activities	\$ (37,727)
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The accompanying notes are an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS

AKRON/SUMMIT CONVENTION & VISITORS BUREAU, INC.

Note 1. Summary of Significant Accounting Policies

Reporting Entity

Akron/Summit Convention & Visitors Bureau, Inc. (ASCVB) is a non-profit organization governed by a Board of Directors comprised of fifteen (15) members. Appointments are made to the Board of Directors by the City of Akron (8) and the County of Summit (7).

The Board of Directors governs the operation of the Akron/Summit Convention & Visitors Bureau (ASCVB) and the John S. Knight Center (JSK). It is the purpose of the ASCVB to actively promote the Akron/Summit County area as an ideal location for conventions of all sizes, plus tourism for the area's various points of interest. It is the purpose of the JSK to completely manage and maintain the John S. Knight Center, a convention center (owned by the City of Akron) located in downtown Akron.

Akron/Summit Convention & Visitors Bureau, Inc. (ASCVB), as defined by Governmental Accounting Standards Board (GASB) Statement No. 14 is a "primary government". A fundamental characteristic of a primary government is that it is a fiscally independent entity.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting, whereby revenues and expenses are recognized in the period earned or incurred. All transactions are accounted for in a single enterprise fund.

Enterprise funds are used to account for the costs of providing goods and services to the general public on a continuing basis which are financed or recovered primarily through user charges or to report any activity for which a fee is charged to external users for goods or services, regardless of whether the government intends to fully recover the cost of the goods or services provided. ASCVB does not meet the above criteria; however, it qualifies for enterprise accounting under the transition rules of GASB 34, whereby it previously reported as a not-for-profit under the American Institute of Certified Public Accountant's not-for-profit model at the date of the GASB 34 statement.

Pursuant to GASB Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting, ASCVB follows GASB guidance as applicable to proprietary funds and Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989, that do not conflict with or contradict GASB pronouncements. ASCVB also follows Financial Accounting Standards Board Statements and Interpretations, issued after November 30, 1989, that are developed for business enterprises except those that conflict with or contradict GASB pronouncements.

Measurement Focus

The enterprise fund is accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of ASCVB are included on the statement of net assets. The statement of changes in net assets presents increases (i.e., revenue) and decreases (i.e. expenses) in total net assets. The statement of cash flows provides information about how ASCVB finances and meets the cash flow needs of its enterprise activity.

NOTES TO FINANCIAL STATEMENTS

AKRON/SUMMIT CONVENTION & VISITORS BUREAU, INC.

Note 1. Summary of Significant Accounting Policies (Continued)

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Concentration of Credit Risk

ASCVB maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. ASCVB has not experienced any losses in such accounts. Management believes it is not exposed to any significant credit risk on cash.

Cash and Cash Equivalents

ASCVB considers all highly liquid investments, with a maturity of three months or less when purchased, to be cash equivalents.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable represents amounts due from customers for events held at the John S. Knight Center; credit is extended based on an evaluation of a business or individual's financial condition and generally, collateral is not required. Receivables are carried at original invoice amount less an estimate made for doubtful receivables based on a review of all outstanding amounts on a periodic basis. Amounts due on events taking place in excess of one year are classified as long term. Management determines the allowance for doubtful accounts by identifying delinquent accounts and by using historical experience. Receivables are written off when deemed uncollectible. Recoveries of receivables previously written off are recorded when received.

Accounts Receivable - Summit County

Accounts receivable - Summit County represents amounts due from the County of Summit for room taxes collected in the final quarter of the calendar year.

Property and Equipment

Equipment is stated at cost less accumulated depreciation. The cost of maintenance and repairs is expensed as incurred; significant renewals and betterments are generally capitalized. When assets are retired or otherwise disposed of, the costs and related accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized in income for the period. Depreciation of property and equipment is computed using the straight-line method over the estimated useful lives of the respective assets.

NOTES TO FINANCIAL STATEMENTS

AKRON/SUMMIT CONVENTION & VISITORS BUREAU, INC.

Note 1. Summary of Significant Accounting Policies (Continued)

Revenue Recognition

ASCVB recognizes revenues at the time persuasive evidence of an arrangement exists, the service is provided or prices are fixed or determinable and collection is reasonably assured.

Deferred Revenues

Income from space, food, and ancillary services for scheduled events is deferred and recognized in the periods in which the events take place.

Income Taxes

ASCVB is exempt from income taxes under the current provisions of the Internal Revenue Code, Section 501(c)(6).

Note 2. Retroactive Change in Accounting Revenue

In prior years, ASCVB recognized income from space rental at the time an agreement was signed. This method was not in accordance with generally accepted accounting principles. During the year ended December 31, 2007, ASCVB retroactively changed its method of accounting for space income to the accrual basis in accordance with generally accepted accounting principles.

The net assets for the year ended December 31, 2006 have been retroactively restated for this change, and the portion of the adjustment applicable to the year ended December 31, 2006 and years prior in the amount of \$706,840 has been treated as a retroactive restatement of the December 31, 2006 unrestricted net assets.

Note 3. Property and Equipment

A summary of property and equipment at December 31, 2007 is presented below:

	Bureau	Center	Total
Furniture and fixtures	\$ 62,333	\$ 1,286,007	\$ 1,348,340
Computer software	-	181,181	181,181
Vehicles	26,956	-	26,956
Leasehold improvements	-	1,465,206	1,465,206
	89,289	2,932,394	3,021,683
Less accumulated depreciation	89,289	2,333,230	2,422,519
	\$ -	\$ 599,164	\$ 599,164

Depreciation expense was \$250,348 for 2007.

NOTES TO FINANCIAL STATEMENTS

AKRON/SUMMIT CONVENTION & VISITORS BUREAU, INC.

Note 4. Investments

ASCVB's investment portfolios at December 31, 2007 consist of a U. S. Treasury note with an interest rate of 4.625% and a maturity date of March 31, 2008. Investment income for 2007 was \$30,503.

Note 5. Retirement Plans

ASCVB sponsors an employee benefit plan, which qualifies under Section 401(k) of the Internal Revenue Code. The plan covers all employees meeting certain age and service requirements. The plan allows the employees to defer up to 15% of their annual compensation. At its discretion, ASCVB may elect to match employee contributions or make nonelective contributions. During 2007, \$44,149 was recorded as expense under this plan.

Note 6. Short-Term Borrowings

In February 2007, ASCVB entered into a loan management account with an investment company. The agreement calls for interest to be charged at a variable interest rate. ASCVB's investment account serves as collateral on the account. The amount available to borrow under this arrangement is limited to a percentage of the market value in the investment account. At December 31, 2007, there was approximately \$270,500 available under this agreement.

Note 7. Long-Term Debt

On January 5, 2001, ASCVB borrowed \$21,956 from a bank at an interest rate of 10.00%. The loan was due on January 4, 2007 and is collateralized by a vehicle. There were no amounts outstanding as of December 31, 2007.

Note 8. Commitments and Contingencies

Operating Leases

ASCVB leases the John S. Knight Center from the City of Akron for a nominal rental of \$1 per year. This approximates the fair market value of the rental based on the revenues generated and expenses incurred by the facility.

ASCVB also leases certain equipment and vehicles under noncancelable leases expiring in various years through 2012. Rental expense for operating leases was \$26,112 for the year ended December 31, 2007. The following is a schedule by years of future minimum rental payments required under operating leases with terms in excess of one year as of December 31, 2007.

2008	\$	26,923
2009		24,962
2010		8,883
2011		7,422
2012		5,567
	\$	<u>73,757</u>

NOTES TO FINANCIAL STATEMENTS

AKRON/SUMMIT CONVENTION & VISITORS BUREAU, INC.

Note 8. Commitments and Contingencies (Continued)

Capital Lease

During 2003, ASCVB acquired equipment used in operations through a lease arrangement that has been classified as a capital lease. The equipment has been capitalized at the present value of the future minimum lease payments at the inception of the lease and is being amortized over 60 months. The outstanding balance on the capital lease obligation was \$2,006 at December 31, 2007. In January 2008, ASCVB entered into a lease agreement for equipment in the amount of \$40,000 that has been classified as a capital lease.

Employment Contract

ASCVB has an employment contract with an officer that provides for a minimum salary, adjusted annually for cost of living changes, and incentives based on ASCVB's attainment of specified levels of sales and earnings.

Note 9. Restricted Funds for Capital Assets

Under the term of the lease agreement with the City of Akron discussed in Note 8, ASCVB is required to "establish and fund a recurring capital cost fund to pay for repairs and maintenance" of the Center and improvements. The amount of restricted funds was \$2,166,470 at December 31, 2007.

**INDEPENDENT AUDITORS' REPORT ON OTHER FINANCIAL
INFORMATION**

Board of Directors
Akron/Summit Convention & Visitors Bureau, Inc.
Akron, Ohio

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The following schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Bruner • Cox, LLP

Canton, Ohio
September 15, 2008

SCHEDULE OF REVENUE, EXPENSES AND CHANGE IN NET ASSETS – BUREAU

AKRON/SUMMIT CONVENTION & VISITORS BUREAU, INC.

For the year ended December 31, 2007

OPERATING REVENUE

City of Akron	\$ 200,000
Summit County	<u>2,199,164</u>

Total operating revenue 2,399,164

OPERATING EXPENSES

Salaries and wages	375,942
Payroll taxes and employee benefits	80,232
Property insurance	17,081
Telephone	14,742
Promotion	103,421
Advertising and printing	120,912
Office supplies and accessories	4,887
Postage	16,675
Dues and subscriptions	3,710
Professional fees	44,048
Travel	25,969
Maintenance and repairs	16,704
Auto lease	5,279
Trust fees	1,319
Trade shows	10,198
Miscellaneous	<u>2,600</u>

Total operating expenses 843,719

Operating income 1,555,445

NONOPERATING REVENUE

Investment and other income	<u>60,231</u>
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Change in net assets \$ 1,615,676

SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS – CENTER

AKRON/SUMMIT CONVENTION & VISITORS BUREAU, INC.

For the years ended December 31, 2007 and 2006

OPERATING REVENUE

Space income	\$ 326,512
Food service, net	1,222,534
Ancillary service	662,092

Total operating revenue 2,211,138

OPERATING EXPENSES

Salaries and wages	1,294,866
Payroll taxes and employee benefits	280,292
Property insurance	96,983
Telephone	24,280
Utilities	401,964
Promotion	43,297
Bad debt expense - net of recoveries	(91,217)
Advertising and printing	26,039
Office supplies and accessories	8,327
Postage	8,246
Dues and subscriptions	2,930
Professional fees	27,124
Travel	7,477
Maintenance and repairs	152,102
Contracted services	336,114
Food services	675,410
Auto lease	10,954
Audiovisual	31,925
Trade shows	1,737
Video conferencing	12,099
Miscellaneous	27,385

Total operating expenses 3,378,334

Operating loss before depreciation (1,167,196)

Depreciation 250,348

Operating loss (1,417,544)

NONOPERATING REVENUE

Investment and other income 3,493

Change in net assets \$ (1,414,051)

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
Akron/Summit Convention & Visitors Bureau, Inc.
Akron, Ohio

We have audited the financial statements of Akron/Summit Convention & Visitors Bureau, Inc. as of and for the year ended December 31, 2007, and have issued our report thereon dated September 15, 2008. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Akron/Summit Convention & Visitors Bureau, Inc.'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 an opinion on the internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Akron/Summit Convention & Visitors Bureau, Inc.'s internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Board of Directors
Akron/Summit Convention & Visitors Bureau, Inc.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Akron/Summit Convention & Visitors Bureau, Inc.'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.

We noted certain matters that we reported to management of Akron/Summit Convention & Visitors Bureau, Inc. in a separate letter dated September 15, 2008.

This report is intended solely for the information and use of the County of Summit, City of Akron, Board of Directors and management and is not intended to be and should not be used by any one other than those specified parties.

Bruner. Cox, LLP

Canton, Ohio
September 15, 2008



Mary Taylor, CPA
Auditor of State

AKRON-SUMMIT CONVENTION AND VISITORS BUREAU

SUMMIT 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
NOVEMBER 6, 2008**