

**REYNOLDSBURG VISITORS AND
COMMUNITY ACTIVITIES BUREAU**

FINANCIAL STATEMENTS

Years ended December 31, 2007 and 2006



Mary Taylor, CPA
Auditor of State

Board of Directors
Reynoldsburg Visitors and Community Activities Bureau
7374 E. Main Street
Reynoldsburg, Ohio 43068

We have reviewed the *Independent Auditors' Report* of the Reynoldsburg Visitors and Community Activities Bureau, Franklin County, prepared by Wolfe, Wilson & Phillips, Inc., for the audit period January 1, 2006 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 Reynoldsburg Visitors and Community Activities Bureau is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

August 4, 2008

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**REYNOLDSBURG VISITORS AND COMMUNITY ACTIVITIES BUREAU
FRANKLIN COUNTY**

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**WOLFE, WILSON, & PHILLIPS, INC.
37 SOUTH SEVENTH STREET
ZANESVILLE, OHIO 43701**

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Reynoldsburg Visitors and Community Activities Bureau
Reynoldsburg, Ohio 43068

We have audited the accompanying statement of financial position of Reynoldsburg Visitors and Community Activities Bureau (a not-for-profit organization) as of December 31, 2007 and 2006 and the related statements of activities and cash flows 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 audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standard 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 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, if any, made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides the reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Reynoldsburg Visitors and Community Activities Bureau as of December 31, 2007 and 2006, and the changes in its net assets and cash flows for the years 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 June 25, 2008, on our consideration of Reynoldsburg Visitors and Community Activities Bureau's internal control structure over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants or other matters. 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.

Wolfe, Wilson, & Phillips, Inc.
Zanesville, Ohio
June 25, 2008

**REYNOLDSBURG VISITORS AND COMMUNITY ACTIVITIES BUREAU
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2007 AND 2006**

	2007	2006
ASSETS:		
Current Assets:		
Cash and cash equivalents	\$ 22,256	\$ 28,934
Bed Tax Receivable	6,723	8,817
Prepaid expenses	212	218
Total Current Assets	29,191	37,969
Furniture and Equipment - net	-	-
TOTAL ASSETS	\$ 29,191	\$ 37,969
 LIABILITIES AND NET ASSETS		
Current Liabilities		
Payroll withholding payable	\$ 1,659	\$ 1,528
Unrestricted Net Assets	27,532	36,441
TOTAL LIABILITIES AND NET ASSETS	\$ 29,191	\$ 37,969

See notes to financial statements.

**REYNOLDSBURG VISITORS AND COMMUNITY ACTIVITIES BUREAU
STATEMENT OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006**

	2007	2006
REVENUE AND SUPPORT		
Bed Tax	\$ 74,336	\$ 74,055
Fitness Challenge	12,626	11,857
Interest Income	118	149
Community Clean Up	3,200	4,200
TOTAL REVENUE AND SUPPORT	90,280	90,261
 EXPENSES:		
Advertising	16,509	12,732
Community Activities	14,321	20,555
COHC	545	913
Dues and subscriptions	940	1,215
Heartland Fees	318	31
Insurance	6,864	6,118
Meals and Entertainment	273	225
Miscellaneous	165	468
Office and Postage	2,082	1,483
Professional Fees	1,175	2,160
Rent	4,770	4,415
Salaries and Wages	43,774	42,915
Supplies	869	1,222
Taxes	3,670	3,449
Telephone	2,120	2,263
Travel	70	-
Utilities	724	1,145
TOTAL EXPENSES	99,189	101,309
INCREASE IN NET ASSETS	(8,909)	(11,048)
 NET ASSETS AT BEGINNING OF YEAR	36,441	47,489
 NET ASSETS AT END OF YEAR	\$ 27,532	\$ 36,441

See notes to financial statements.

**REYNOLDSBURG VISITORS AND COMMUNITY ACTIVITIES BUREAU
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006**

	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in Net Assets	\$ (8,909)	\$ (11,048)
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
(Increase) Decrease in:		
Bed Tax Receivable	2,094	2,648
Prepaid Expenses	6	(44)
Increase (Decrease) in:		
Payroll Withholding Payable	131	(66)
NET CASH PROVIDED BY OPERATING ACTIVITIES	(6,678)	(8,510)
CASH AT BEGINNING OF YEAR	28,934	37,444
CASH AT END OF YEAR	\$ 22,256	\$ 28,934

See notes to financial statements.

**REYNOLDSBURG VISITORS AND COMMUNITY ACTIVITIES BUREAU
FRANKLIN COUNTY**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of the Entity

The Reynoldsburg Visitors and Community Activities Bureau (“the Bureau”), a not-for-profit organization, was incorporated in 1989 to promote the economic development of the City of Reynoldsburg, Ohio on a local, state, and national level. Actively promoting the historical, cultural, recreational, and natural value and quality of the City; promoting travel, tourism, and convention activities; and creating a community calendar of events to achieve this purpose. The Bureau also assists in organizing and sponsoring community events in and around Reynoldsburg. The Bureau receives a majority of its revenue from the City of Reynoldsburg.

Basis of Accounting

These financial statements have been prepared utilizing the accrual method of accounting.

Estimates

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

Accounts Receivable

This asset represents the amount of bed tax collected by the City of Reynoldsburg and payable to the Bureau as of the end of the year that have not yet been received by the Bureau.

Furniture and Equipment

These assets are recorded at cost. The Bureau follows the practice of capitalizing all expenditures for those assets with a cost of at least \$500 and a useful life of one year or greater. Depreciation is calculated by the straight-line method based on estimated useful lives of 5-7 years. Repairs and maintenance costs are charged to expense as incurred.

Donated Services and Supplies

No amounts have been recorded for donated services and supplies relating to the Fitness Challenge and other programs, since no objective basis is available to measure the value of such services and supplies.

Income Taxes

The Bureau is exempt from federal income taxes under Section 501(c)(6) of the Internal Revenue Code, and therefore has made no provisions for federal income taxes in the financial statements. In addition, the Bureau has been determined by the Internal Revenue Service not to be a “private foundation” within the meaning of Section 509(a) of the Internal Revenue Code.

**REYNOLDSBURG VISTIORS AND COMMUNITY ACTIVITIES BUREAU
FRANKLIN COUNTY**

NOTES TO FINANCIAL STATEMENTS

2. LEASE

The Bureau leases office space under an operating lease. Under this lease, the Bureau pays rent on a year to year basis. Total rent expense was \$4,770 and \$4,415 for the years ending December 31, 2005 and 2004, respectively.

3. CITY OF REYNOLDSBURG

The Bureau's 1997 contract with the City of Reynoldsburg provides for general operations support from the revenues of the City's hotel/motel tax.

4. PROGRAMS

The Bureau organizes, participates in, and/or sponsors many local events including: the community prayer breakfast, Fourth of July and Founders Day celebrations, Ohio State Fair, Mount Carmel Health Fitness Challenge, Tomato Festival, Community Tree Lighting, and Christmas on the Town.

5. CONCENTRATIONS

Bed tax was 82% and 82% in 2007 and 2006, respectively, of all revenues.

6. PROPERTY, PLANT, AND EQUIPMENT

These assets are recorded at cost and shown net of accumulated depreciation of \$800 as of December 31, 2007 and 2006, respectively.

7. CASH AND INVESTMENTS

The Bureau maintains a checking account at Bank One. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash at December 31 was as follows:

	<u>2007</u>	<u>2006</u>
Demand deposits	\$22,256	\$28,934

8. RISK MANAGEMENT

The Bureau has obtained commercial insurance for the following risks:

- * Comprehensive property and general liability

**WOLFE, WILSON, & PHILLIPS, INC.
37 SOUTH SEVENTH STREET
ZANESVILLE, OHIO 43701**

**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL
CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING
STANDARDS**

To the Board of Directors
Reynoldsburg Visitors and Community Activities Bureau
Reynoldsburg, Ohio 43068

We have audited the statement of financial position of Reynoldsburg Visitors and Community Activities Bureau, a not-for-profit organization, as of and for the years ended December 31, 2007 and 2006 and the related statements of activities and cash flows, and have issued our report thereon dated June 25, 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 Reynoldsburg Visitors and Community Activities Bureau's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinion on the financial statements, but not to opine on the effectiveness of the Bureau's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Bureau'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 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 Bureau's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that a misstatement of the Bureau's financial statements that is more than inconsequential will not be prevented or detected by the Bureau'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 Bureau's internal control.

Our consideration of internal control over financial reporting was for the limited purposes 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 material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Reynoldsburg Visitors and Community Activities Bureau's financial statement are free of material misstatement, we performed tests of its compliance with certain provisions laws, regulations, contracts and grant agreements, noncompliance or other matters 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*.

This report is intended for the information of the Board of Directors, management, and the Auditor of State, and is not intended to be and should not be used by anyone other than these specified parties.

Wolfe, Wilson, & Phillips, Inc.
Zanesville, Ohio
June 25, 2008



Mary Taylor, CPA
Auditor of State

REYNOLDSBURG VISITORS AND COMMUNITY ACTIVITIES BUREAU

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
AUGUST 14, 2008**