

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

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT

For the years ended December 31, 2007 and 2006



Mary Taylor, CPA
Auditor of State

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

We have reviewed the *Independent Auditors' Report* of the Convention and Visitors Bureau of Worthington, Inc., Franklin County, prepared by Cotterman-Wilson, CPA's, 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 Convention and Visitors Bureau of Worthington, Inc. is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

December 29, 2008

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COTTERMAN-WILSON

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Board of Trustees
The 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, 2007 and 2006. 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 these financial statements based on our audits.

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. 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 United States 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, 2007 and 2006, in conformity with the basis of accounting described in Note A.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 23, 2008 on our consideration of The Convention and Visitors Bureau of Worthington, Inc. internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements. 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 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
September 23, 2008

THE CONVENTION AND VISITORS BUREAU OF WORTHINGTON, INC.

STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS

For the years ended December 31,

	<u>2007</u>	<u>2006</u>
CASH RECEIPTS		
Bed taxes	\$ 84,915	\$ 106,056
Interest	235	204
Membership dues	<u>2,221</u>	<u>4,948</u>
	87,371	111,208
CASH DISBURSEMENTS		
Payroll and payroll taxes	49,575	50,379
Advertising and promotion	23,569	18,317
Payroll processing fees	1,504	1,562
Professional fees	885	2,500
Convention and conference	846	1,115
Dues and subscriptions	2,370	1,805
Office supplies	1,772	2,112
Insurance	4,734	4,011
Postage	1,476	1,208
Printing	340	185
Office rent	4,080	4,080
Tax penalty	9,370	-
Telephone	3,762	3,826
Travel and entertainment	<u>1,284</u>	<u>1,564</u>
	<u>105,567</u>	<u>92,664</u>
EXCESS CASH RECEIPTS/(DISBURSEMENTS)	(18,196)	18,544
CASH		
Beginning of year	<u>54,995</u>	<u>36,451</u>
End of year	<u>\$ 36,799</u>	<u>\$ 54,995</u>

See accompanying notes and independent auditors' report.

THE CONVENTION AND VISITORS BUREAU OF WORTHINGTON, INC.

NOTES TO FINANCIAL STATEMENTS

For the years ended December 31, 2007 and 2006

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting principles and practices of The 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, these financial statements are 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-five percent of the Bureau's cash 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.

5. *Lease*

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

COTTERMAN-WILSON

Certified Public Accountants

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*

To the Board of Trustees
The 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, 2007 and 2006, and have issued our report thereon dated September 23, 2008. We conducted our audit 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Bureau's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Bureau's internal control over financial reporting. Accordingly, we do not express an opinion 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 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 Bureau'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 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 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.

Compliance and Other Matters

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 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 one instance of noncompliance that are required to be reported under *Government Auditing Standards*.

Finding Number: 2007-01

The Ohio Compliance Supplement requires certain policies relating to employee usage of cell phones and credit cards. The Ohio Compliance Supplement also has specific requirements for the documentation needed to support expense reimbursements. Currently the Bureau has not adopted policies for these requirements. We would suggest that the Bureau adopt personnel policies which meet these requirements.

Management Response: 2007-01

A draft of a policy for cell phones and credit cards has been distributed to Board members and will be considered at the November 2008 Board meeting.

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

Cotterman - Wilson CPAs, Inc.

Worthington, Ohio
September 23, 2008



Mary Taylor, CPA
Auditor of State

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
JANUARY 13, 2009**