

***CAMBRIDGE-GUERNSEY COMMUNITY  
IMPROVEMENT CORPORATION  
GUERNSEY COUNTY, OHIO***

***AUDIT REPORT***

***FOR THE YEARS ENDED DECEMBER 31, 2015 & 2014***







# Dave Yost • Auditor of State

Board of Trustees  
Cambridge-Guernsey Community Improvement Corporation  
806 Cochran Ave  
Cambridge, Ohio 43725

We have reviewed the *Independent Auditor's Report* of the Cambridge-Guernsey Community Improvement Corporation, Guernsey County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2014 through December 31, 2015. 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 Cambridge-Guernsey Community Improvement Corporation is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

September 12, 2016

**This page intentionally left blank.**

CAMBRIDGE-GUERNSEY COMMUNITY IMPROVEMENT CORPORATION  
GUERNSEY COUNTY  
December 31, 2015 and 2014

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Independent Auditor's Report .....	1
Statements of Financial Position - For the Years Ended December 31, 2015 and 2014 .....	3
Statements of Activities - For the Years Ended December 31, 2015 and 2014 .....	4
Statements of Cash Flows - For the Years Ended December 31, 2015 and 2014 .....	5
Notes to the Financial Statements .....	6
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	8
Schedule of Prior Year Findings .....	10

**This page intentionally left blank.**

Rockefeller Building  
614 W Superior Ave Ste 1242  
Cleveland OH 44113-1306  
Office phone - (216) 575-1630  
Fax - (216) 436-2411

***Charles E. Harris & Associates, Inc.***  
*Certified Public Accountants*

---

**INDEPENDENT AUDITOR'S REPORT**

Cambridge-Guernsey Community Improvement Corporation  
Guernsey County, Ohio  
806 Cochran Avenue  
Cambridge, Ohio 43725

To the Board of Trustees:

***Report on the Financial Statements***

We have audited the accompanying financial statements of the Cambridge-Guernsey Community Improvement Corporation, Guernsey County, Ohio, (the Corporation) which comprise the statement of financial position as of December 31, 2015 and 2014, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Corporation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Corporation's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

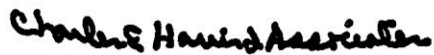
We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Cambridge-Guernsey Community Improvement Corporation, Guernsey County, Ohio, as of December 31, 2015 and 2014, and the changes in its financial position and its cash flows, for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28 2016 on our consideration of the Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.



***Charles E. Harris & Associates, Inc.***  
June 28, 2016



**CAMBRIDGE-GUERNSEY COMMUNITY IMPROVEMENT CORPORATION**  
**GUERNSEY COUNTY**  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2015 AND 2014**

	2015	2014
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 268,671	\$ 271,427
Cash held for custodial purposes	-	139
Notes receivable	2,017	7,985
Prepaid expenses	2,593	2,521
<b>Total Current Assets</b>	<b>273,281</b>	<b>282,072</b>
 <b>Property and Equipment:</b>		
Furniture and Equipment	40,817	35,639
Automobiles	19,867	22,253
Leasehold Improvement	6,000	6,000
	66,684	63,892
Accumulated Depreciation	(33,684)	(45,858)
<b>Net Property and Equipment</b>	<b>33,000</b>	<b>18,034</b>
 <b>Other Assets</b>		
Workers Comp. Deposit	100	100
Organization Costs	750	750
<b>Total Other Assets</b>	<b>850</b>	<b>850</b>
 <b>TOTAL ASSETS</b>	 <b>\$ 307,131</b>	 <b>\$ 300,956</b>
 <b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities:</b>		
Accounts payable	\$ 884	\$ 7,222
Cash held for custodial purposes	-	139
Accrued and withheld taxes	4,935	4,713
<b>Total Current Liabilities</b>	<b>5,819</b>	<b>12,074</b>
 <b>NET ASSETS</b>		
Unrestricted net assets	301,312	288,882
<b>Total Net Assets</b>	<b>301,312</b>	<b>288,882</b>
 <b>TOTAL LIABILITIES AND NET ASSETS</b>	 <b>\$ 307,131</b>	 <b>\$ 300,956</b>

See notes to financial statements.

**CAMBRIDGE-GUERNSEY COMMUNITY IMPROVEMENT CORPORATION**  
**GUERNSEY COUNTY**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

	2015	2014
<b>PUBLIC SUPPORT AND REVENUE:</b>		
Interest income	\$ 461	\$ 603
Donations - Corporations	46,750	49,460
Donations - Public Entities	146,817	147,011
Grants and projects	5,700	3,000
Reimbursements and other income	4,880	2,102
<b>Total Public Support and Revenue</b>	<b>204,608</b>	<b>202,176</b>
 <b>EXPENSES:</b>		
Advertising	1,748	1,285
Auto Expense	4,387	5,753
Bank Service Charges	234	137
Contributions	50	-
Data processing fees	290	175
Depreciation	7,112	7,400
Dues & subscriptions	723	1,675
Grants - Cambridge Main Street	1,600	1,600
Insurance	13,630	13,533
Lease expense	2,097	2,193
Licenses, fees, permits	100	50
Miscellaneous	2,000	-
Office & postage expense	717	709
Professional fees	1,242	6,834
Repairs and maintenance	240	160
Rent	10,200	10,200
Salaries and Wages	122,231	119,142
Seminars, conferences and meetings	2,156	2,524
Supplies	3,270	3,667
Payroll taxes	9,501	9,456
Telephone	8,403	8,870
Travel & entertainment	247	430
<b>Total Expenses</b>	<b>192,178</b>	<b>195,793</b>
 <b>Increase in Unrestricted Net Assets</b>	 <b>12,430</b>	 <b>6,383</b>
 <b>NET ASSETS AT BEGINNING OF YEAR</b>	 <b>288,882</b>	 <b>282,499</b>
 <b>NET ASSETS AT END OF YEAR</b>	 <b>\$ 301,312</b>	 <b>\$ 288,882</b>

See notes to financial statements.

**CAMBRIDGE-GUERNSEY COMMUNITY IMPROVEMENT CORPORATION  
GUERNSEY COUNTY  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

	2015	2014
<b>Cash Flows from Operating Activities</b>		
Changes in net assets from activities	\$ 12,430	\$ 6,383
Adjustments to reconcile increase(decrease) in position		
To net cash provided by operating activities:		
Depreciation	7,112	7,400
(Increase) Decrease in:		
Prepaid expenses	(72)	(48)
Notes receivables	5,968	6,329
(Increase) Decrease in:		
Accounts payable	(6,338)	5,428
Cash held for custodial purposes	(139)	(275)
Accrued and withheld taxes	222	(1,176)
<b>Net cash provided (used) by operating activities</b>	19,183	24,041
 <b>Cash Flows from Investing Activities</b>		
Purchase of property and equipment	(22,078)	(7,260)
<b>Net cash provided (used) by investing activities</b>	(22,078)	(7,260)
 <b>Net Increase (Decrease) in Cash and Cash Equivalents</b>		
<b>Cash and Cash Equivalents at Beginning of Year</b>	271,566	254,785
 <b>Cash and Cash Equivalents at End of Year</b>	\$ 268,671	\$ 271,566

See notes to financial statements.

**CAMBRIDGE-GUERNSEY COMMUNITY IMPROVEMENT CORPORATIN  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015 AND 2014**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Organization**

The Cambridge-Guernsey Community Improvement Corp. (CIC) is an Ohio non-profit corporation. The Internal Revenue Service has determined the organization is exempt from federal income tax under Section 501 (a) of the Internal Revenue Code as an organization described in Section 501 (c)(3) of the Internal Revenue Code.

The CIC is a county-wide entity whose purpose is to enhance the industrial base of Guernsey County while creating the opportunity for new industry and jobs.

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

**Land, Building, and Equipment**

Land, building and equipment are carried at cost less accumulated depreciation. Depreciation is provided over the useful lives of the related assets. Maintenance and repairs are charged to operations when incurred. Renewals and betterments of a nature considered to material extend the useful lives of the assets are capitalized. When assets are retired or otherwise disposed of, the assets and related allowances for depreciation and amortization are eliminated from the accounts and any resulting gain or loss is reflected in income.

Depreciation, for financial reporting purposes is based on the following policies:

<u>Description</u>	<u>Useful Life</u>	<u>Method</u>
Auto	5 Years	Straight Line
Leasehold Improvements	39 Years	Straight Line
Furniture and Fixtures	5-10 Years	Straight Line

**Cash Equivalents**

For purposes of the statement of cash flows, the CIC considers all highly liquid debt instruments purchased with maturity of three months or less to be cash equivalents.

**Income Taxes**

The CIC is exempt from federal income taxes under Internal Revenue Code Section 501 (c) (3) and has been recognized as a non-profit organization by the State of Ohio. Therefore, no provision has been made for federal or Ohio income taxes in accompanying financial statement. In addition, the CIC 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. There was no unrelated business income for 2015 and 2014, respectively.

**Uses of Estimates**

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

**Donated Property**

The value of donated property is recognized as revenue at its fair market value on the date of donation.

**Basis of Presentation**

New assets and revenues, gain and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the CIC and changes there are classified and reported as follows:

**CAMBRIDGE-GUERNSEY COMMUNITY IMPROVEMENT CORP.  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015 AND 2014  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Basis of Presentation (Continued)**

Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted assets – Net assets subject to donor-imposed stipulation that they may or will be met either by actions the CIC and/or passage of time.

Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the CIC. Generally, the donors or these assets permit the CIC to use all or part of the income earned on related investments for general or specific use.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investment and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e. the donor stipulation purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassification between the applicable class of assets.

**2. CASH HELD FOR CUSTODIAL PURPOSES**

The CIC receives and holds cash for various local organizations or activities. This cash is separated on the statement of position as cash held for custodial purposes, as it cannot be used for any CIC operations. A corresponding liability is also shown in the same amount. The custodial accounts revenue and expenses are not shown on the statement of activities.

**3. NOTE RECEIVABLE**

The CIC loaned money to the Cambridge Airport in May 2013. The original loan of \$17,677 is payable in monthly installments of \$506 at an interest rate of 2%. Payments are due the first of each month.

**4. CONCENTRATION OF RISK**

The CIC maintains its cash account in one commercial bank in Ohio. At times throughout the year, the CIC may have deposits in excess of the Federal Deposit Insurance Corporation (FDIC) limits.

**5. RISK MANAGEMENT**

**Commercial Insurance**

The CIC has obtained commercial insurance for the following risks:

- Comprehensive property and general liability; and
- Wrongful acts and dishonesty bond

Claims did not exceed coverages for the past three years.

**6. CONTINGENT LIABILITIES/SUBSEQUENT EVENTS**

Management believes there are no pending claims or lawsuits.

Rockefeller Building  
614 W Superior Ave Ste 1242  
Cleveland OH 44113-1306  
Office phone - (216) 575-1630  
Fax - (216) 436-2411

***Charles E. Harris & Associates, Inc.***  
*Certified Public Accountants*

---

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY  
GOVERNMENT AUDITING STANDARDS

Cambridge-Guernsey Community Improvement Corporation  
Guernsey County  
806 Cochran Avenue  
Cambridge, Ohio 43725

To the Board of Trustees:

We have audited in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the Cambridge-Guernsey Community Improvement Corporation, Guernsey County (the Corporation) as of and for the years ended December 31, 2015 and 2014, and the related notes to the financial statements and have issued our report thereon dated June 28, 2016.

***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the Corporation's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Corporation's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Corporation's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

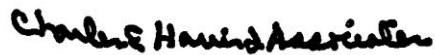
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

***Compliance and Other Matters***

As part of reasonably assuring whether the Corporation'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, opining on compliance with those provisions was not an objective of our audit and, accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Corporation's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



***Charles E. Harris & Associates, Inc.***  
June 28, 2016

**CAMBRIDGE-GUERNSEY COMMUNITY IMPROVEMENT CORPORATON  
GUERNSEY COUNTY, OHIO  
SCHEDULE OF PRIOR AUDIT FINDINGS  
For the Years Ended December 31, 2015 and 2014**

The prior report, for the two years ending December 31, 2013, reported no material citations or recommendations.





# Dave Yost • Auditor of State

**CAMBRIDGE-GUERNSEY COMMUNITY IMPROVEMENT CORPORATION  
GUERNSEY 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 22, 2016**