

**ASHTABULA COUNTY
CONVENTION AND VISITORS BUREAU**

AUSTINBURG, OHIO

**FINANCIAL STATEMENTS
AND
AUDIT REPORTS**

**For The Years Ended
December 31, 1999 and 1998**

SNODGRASS
Certified Public Accountants and Consultants



Ashtabula County Convention and Visitors Bureau
FINANCIAL STATEMENTS AND AUDIT REPORTS
For the Years Ended December 31, 1999 and 1998

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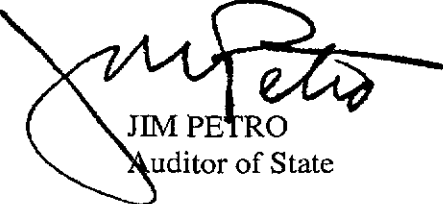
STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

Board of Directors
Ashtabula County Convention and Visitors Bureau
Austinburg, Ohio

We have reviewed the independent auditor's report of the Ashtabula County Convention and Visitors Bureau, prepared by S.R. Snodgrass, A.C., Certified Public Accountants, for the audit period January 1, 1999 through December 31, 1999. 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 Ashtabula County Convention and Visitors Bureau is responsible for compliance with these laws and regulations.



JIM PETRO
Auditor of State

June 15, 2000

SNODGRASS

Certified Public Accountants and Consultants

Independent Auditors' Report



Board of Directors
Ashtabula County Convention and Visitors Bureau
Austinburg, Ohio

We have audited the accompanying statement of assets, liabilities, and net assets – modified cash basis of Ashtabula County Convention and Visitors Bureau (a nonprofit corporation) as of December 31, 1999 and 1998, and the related statements of revenues, expenses, and other changes in net assets – modified cash basis and cash flows – modified cash basis for the years then ended. These financial statements are the responsibility of Ashtabula County Convention and Visitors 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 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 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 made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in the accompanying notes, these financial statements were prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of Ashtabula County Convention and Visitors Bureau as of December 31, 1999 and 1998, and its revenue, expenses and other changes in net assets and cash flows for the years then ended, on the basis of accounting described in the accompanying notes.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2000, 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 grants.

S. R. Snodgrass, A. C.

Ashtabula, Ohio
March 28, 2000

Ashtabula County Convention and Visitors Bureau
**STATEMENT OF ASSETS, LIABILITIES, AND NET ASSETS – MODIFIED CASH
BASIS**

	December 31,	
	1999	1998
ASSETS		
ASSETS		
Cash and cash equivalents	\$ 92,312	\$ 76,790
Deposits – workers’ compensation	10	10
Property and equipment (net)	8,664	6,781
Total assets	\$ 100,986	\$ 83,581
LIABILITIES AND NET ASSETS		
LIABILITIES		
Payroll taxes withheld	\$ 482	\$ 257
NET ASSETS		
Unrestricted	100,504	83,324
Total liabilities and net assets	\$ 100,986	\$ 83,581

See accompanying notes and accountants’ report.

Ashtabula County Convention and Visitors Bureau
 STATEMENT OF REVENUES, EXPENSES, AND OTHER CHANGES IN NET
 ASSETS – MODIFIED CASH BASIS

	Year Ended December 31,	
	1999	1998
	Unrestricted Total	Unrestricted Total
REVENUES		
Membership dues	\$ 5,180	\$ 4,060
Visitors Guide	43,141	35,424
Bed Tax	219,499	202,657
Miscellaneous	5,642	6,414
Interest	1,460	1,392
Loss on disposal of assets	-	(454)
Total revenues, gains, and other support	274,922	249,493
EXPENSES		
Wages	80,500	76,272
Advertising	66,667	72,462
Utilities	17,623	12,143
Office supplies	10,450	13,214
Postage	14,828	12,520
Travel	17,430	16,828
Seminars and conferences	6,198	6,872
Legal and accounting	4,348	4,607
Grants	1,083	2,500
Miscellaneous	1,297	537
Dues and subscriptions	3,257	1,539
Taxes	7,665	7,848
Rent	13,000	11,000
Insurance	9,185	10,277
Uniforms	1,598	-
Depreciation	2,613	2,348
Total expenses	257,742	250,967
CHANGES IN NET ASSETS	17,180	(1,474)
NET ASSETS AT BEGINNING OF YEAR	83,324	84,798
NET ASSETS AT END OF YEAR	\$ 100,504	\$ 83,324

See accompanying notes and accountants' report.

Ashtabula County Convention and Visitors Bureau
STATEMENT OF CASH FLOWS – MODIFIED CASH BASIS

	Year Ended December 31,	
	1999	1998
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 17,180	\$ (1,474)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation	2,613	2,348
Loss on disposal of fixed assets	-	454
Increase (decrease) in accrued payroll taxes	225	-
Net cash provided by operating activities	20,018	1,328
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of fixed assets	(4,496)	(4,283)
Net cash used by investing activities	(4,496)	(4,283)
NET INCREASE (DECREASE) IN CASH	15,522	(2,955)
CASH AT BEGINNING OF YEAR	76,790	79,745
CASH AT END OF YEAR	\$ 92,312	\$ 76,790

See accompanying notes and accountants' report.

Ashtabula County Convention and Visitors Bureau
NOTES TO FINANCIAL STATEMENTS

BACKGROUND

Ashtabula County Convention and Visitors Bureau (ACCVB) is a nonprofit corporation established pursuant to the laws of the State of Ohio to develop, promote and otherwise encourage tourism and recreation. This is done through advertising in various publications, Internet website participation, and publishing a County Visitors Guide.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies is presented to assist the reader in understanding and evaluating the financial statements of Ashtabula County Convention and Visitors Bureau.

The financial statements of ACCVB have been prepared on the modified modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Modifications to the modified cash basis of accounting include recording depreciation on property and equipment and accruing for payroll taxes.

Assets, liabilities, and net assets – modified cash basis are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of ACCVB and changes therein are classified and reported as follows:

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

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Corporation and/or the passage of time. No temporarily restricted net assets existed at December 31, 1999 and 1998.

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. The cost of property and equipment is depreciated over the estimated useful lives of the related assets. Depreciation is computed on the straight-line method.

Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Ashtabula County Convention and Visitors Bureau
NOTES TO FINANCIAL STATEMENTS (Continued)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

ACCVB uses advertising to promote the County. The production costs of advertising are expensed as incurred. During 1999 and 1998, advertising expense was \$66,667 and \$72,462, respectively.

For purposes of the statement of cash flows, ACCVB considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

CASH

Cash is comprised of the following at December 31:

	1999	1998
Cash in checking	\$ 11,837	\$ 4,878
Cash in savings	80,475	71,912
Total	\$ 92,312	\$ 76,790

FIXED ASSETS

Fixed assets are comprised of the following at December 31:

	1999	1998
Equipment	\$ 18,029	\$ 13,533
Less accumulated depreciation	9,365	6,752
Net fixed assets	\$ 8,664	\$ 6,781

INCOME TAXES

Income taxes have not been provided for as ACCVB has been granted a nonprofit corporation status under Section 501(c)(6) of the Internal Revenue Code.

Ashtabula County Convention and Visitors Bureau
NOTES TO FINANCIAL STATEMENTS (Continued)

LEASE

The Corporation is leasing the office space on a non-cancelable operating lease through November 14, 2002. Lease expense for December 31, 1999 and 1998, was \$13,000 and \$11,000, respectively. Future minimum lease payments are as follows:

Year	Amount
2000	\$ 13,600
2001	14,400
2002	12,000
2003	-0-
Thereafter	-0-
Total minimum future lease payments	<u>\$ 40,000</u>

SNODGRASS

Certified Public Accountants and Consultants

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



Board of Directors
Ashtabula County Convention and Visitors Bureau
Austinburg, Ohio

We have audited the financial statements of Ashtabula County Convention and Visitors Bureau (a nonprofit corporation) as of and for the year ended December 31, 1999, and have issued our report thereon dated March 28, 2000. We conducted our audit in accordance with 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.

Compliance

As part of obtaining reasonable assurance about whether Ashtabula County Convention and Visitors Bureau's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, 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 that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Ashtabula County Convention and Visitors Bureau'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 assurance 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 condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements 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 board, management, and Ashtabula County, and is not intended to be and should not be used by anyone other than these specified parties.

S. P. Snodgrass, A.C.

Ashtabula, Ohio
March 28, 2000



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ASHTABULA COUNTY CONVENTION AND VISITORS BUREAU

ASHTABULA 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.

By: Susan Babbitt

Date: JUNE 29, 2000