

GROVE CITY AREA VISITORS
AND CONVENTION BUREAU

FINANCIAL STATEMENTS

* * * * *

DECEMBER 31, 2000 AND 1999



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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Grove City Area Visitors and Convention Bureau
4069 Broadway
Grove City, Ohio 43123

We have reviewed the Independent Auditor's Report of the Grove City Area Visitors and Convention Bureau, Franklin County, prepared by Hirth Norris & Garrison, LLP, for the audit period January 1, 2000 through December 31, 2000. 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 Grove City Area Visitors and Convention Bureau is responsible for compliance with these laws and regulations.

JIM PETRO
Auditor of State

March 30, 2001

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Grove City Area Visitors and Convention Bureau

We have audited the accompanying statements of assets, liabilities and net assets - modified cash basis of Grove City Area Visitors and Convention Bureau (a nonprofit organization) as of December 31, 2000 and 1999 and the related statements of support, revenue and expenses - modified cash basis for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards and the standards for 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, 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 the Grove City Area Visitors and Convention Bureau as of December 31, 2000 and 1999 and its support, revenue and expenses for the years then ended, on the basis of accounting described in Note A.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 14, 2000 on our consideration of the Bureau's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Hirth Norris & Garrison, LLP

Grove City, Ohio
February 2, 2001

GROVE CITY AREA VISITORS AND CONVENTION BUREAU
 STATEMENTS OF ASSETS, LIABILITIES AND NET ASSETS - MODIFIED CASH BASIS
 AS OF DECEMBER 31, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash – checking	\$ 40,560	\$ 19,059
Total Current Assets	40,560	19,059
PROPERTY ASSETS		
Equipment	10,325	10,325
Leasehold improvements	3,045	3,045
	13,370	13,370
Less: Accumulated Depreciation and Amortization	(8,304)	(4,774)
Total Net Property Assets	5,066	8,596
OTHER ASSETS		
Deposits	650	650
Total Assets	\$ 46,276	\$ 28,305

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
City Tax Withholding	\$ 0	\$ 0
Total Current Liabilities	0	0
NET ASSETS		
Unrestricted Net Assets	46,276	28,305
Total Net Assets	46,276	28,305
Total Liabilities and Net Assets	\$ 46,276	\$ 28,305

The accountant's report and accompanying notes
 are an integral part of these financial statements.

GROVE CITY AREA VISITORS AND CONVENTION BUREAU
 STATEMENTS OF SUPPORT, REVENUE AND EXPENSES - MODIFIED CASH BASIS
 FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
UNRESTRICTED NET ASSETS		
REVENUES COLLECTED		
Income - Bed Tax	\$ 155,923	\$ 137,500
Income – Miscellaneous	40	87
Income – Interest	<u>287</u>	<u>321</u>
Total Revenues	156,250	137,908
EXPENSES PAID		
Monetary Grants	1,000	20,028
Advertising and Promotion	56,539	52,321
Professional Fees	4,765	3,407
Travel and Meeting Expense	1,953	1,776
Bank Service Charges	293	186
Office Expenses	10,070	13,186
Wages	37,247	34,944
Payroll Taxes	3,190	3,012
Payroll Service Fees	1,095	841
Rent	7,800	6,182
Insurance	537	386
Depreciation	3,530	3,474
Cleaning and Maintenance	2,284	499
Contract Services	0	1,950
Dues and Subscriptions	4,380	3,396
Donations	500	356
Employee benefits	2,000	0
Miscellaneous expenses	<u>1,094</u>	<u>0</u>
Total Expenses Paid	<u>138,277</u>	<u>145,944</u>
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	(17,973)	(8,036)
NET ASSETS - BEGINNING OF PERIOD	<u>28,303</u>	<u>36,341</u>
NET ASSETS - END OF PERIOD	<u><u>\$ 46,276</u></u>	<u><u>\$ 28,305</u></u>

The accountant's report and accompanying notes
 are an integral part of these financial statements.

GROVE CITY AREA VISITORS AND CONVENTION BUREAU
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2000 AND 1999

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

The Grove City Area Visitors and Convention Bureau is a non-profit organization incorporated April 7, 1989, the purpose of which is to represent and support the business community of Grove City, Ohio. The Bureau serves its purpose primarily through the promotion of overnight stays at the lodging establishments within the city and by promotion of mass audiences to visit and eat in Grove City. The Bureau is managed by a Board of Directors representing the business community.

Support and Revenue

Revenues are received from the City of Grove City which collects the bed tax within the city. Twenty-five percent of the tax collected is subsequently remitted to the Bureau, and is reported as revenue when received. The Bureau then makes disbursements in support of its mission by way of purchases of advertising and other media promotion for specific events or for the city in general as voted and approved by the Board of Directors.

Estimates

The preparation of financial statements in conformity with the an other comprehensive basis of accounting, the modified cash basis, requires the use of management's estimates.

Accounting Method

The financial statements have been prepared using an other comprehensive basis of accounting; the modified cash basis. The modified cash basis of accounting requires that revenues are recognized when received rather than when earned and expenses are recognized when paid rather than when incurred. Exceptions are made for certain items such as depreciation and payroll taxes.

Property Assets

Property assets are stated at cost. Depreciation is calculated using accelerated rates applied over the estimated useful lives of the assets as indicated below.

	<u>Years</u>
Leasehold Improvements	7-15
Equipment	5-7

NOTE B - COMMITMENTS

The Bureau has entered into a lease for office space which will expire June 30, 2002. Monthly lease payments are \$650. Lease expense in the current year amounted to \$7,800.

Future required minimum lease payments over the next five years are as follows:

<u>Year Ended</u> <u>December 31,</u>	<u>Amount</u>
2001	7,800
2002	3,900
2003	0
2004	0
	\$ 11,700

GROVE CITY AREA VISITORS AND CONVENTION BUREAU
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999

NOTE C - INCOME TAXES

The Bureau is exempt from federal income taxes under Code Section 501 (c)(6) of the Internal Revenue Code.

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY
GOVERNMENT AUDITING STANDARDS

Board of Directors
Grove City Area Visitors and Convention Bureau

We have audited the accompanying statements of assets, liabilities and net assets - modified cash basis of Grove City Area Visitors and Convention Bureau (a nonprofit organization) as of December 31, 2000 and 1999 and the related statements of support, revenue and expenses - modified cash basis for the years then ended, and have issued our report thereon dated February 2, 2001. We conducted our audits 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 the Grove City Area Visitors and Convention 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 audits 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 audits, we considered the Grove City Area Visitors and Convention 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 of the audit committee, management and the Auditor of the State of Ohio. However, this report is a matter of public report and its distribution is not limited.

Hirth Norris & Garrison, LLP

February 2, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

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GROVE CITY AREA VISITORS AND CONVENTION 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
APRIL 10, 2001**