



**Auditor of State  
Betty Montgomery**



**CANAL WINCHESTER INDUSTRY AND  
COMMERCE CORPORATION**

**FRANKLIN COUNTY**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Independent Accountants' Report.....	1
Statement of Financial Position - December 31, 2003.....	3
Statement of Activities - For the Year Ended December 31, 2003.....	4
Statement of Cash Flows - For the Year Ended December 31, 2003.....	5
Statement of Financial Position - December 31, 2002.....	6
Statement of Activities - For the Year Ended December 31, 2002.....	7
Statement of Cash Flows - For the Year Ended December 31, 2002.....	8
Notes to the Financial Statements .....	9
Independent Accountants' Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i> .....	11

**This page intentionally left blank.**



**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Board of Directors  
Canal Winchester Industry and Commerce Corporation  
Franklin County  
36 S. High Street  
Canal Winchester, Ohio 43110

We have audited the accompanying statements of financial position of the Canal Winchester Industry and Commerce Corporation, Franklin County, Ohio, (the Corporation) as of December 31, 2003 and December 31, 2002, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Corporation'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 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Canal Winchester Industry and Commerce Corporation, Franklin County, Ohio, as of December 31, 2003 and December 31, 2002, and the changes in its net assets and its 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 February 11, 2005 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. 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.

A handwritten signature in black ink that reads "Betty Montgomery".

**Betty Montgomery**  
Auditor of State

February 11, 2005

35 N. Fourth St. / Second Floor / Columbus, OH 43215  
Telephone: (614) 466-3402 (800) 443-9275 Fax: (614) 728-7199  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

**This page intentionally left blank.**

**CANAL WINCHESTER INDUSTRY AND COMMERCE CORPORATION  
FRANKLIN COUNTY**

**STATEMENT OF FINANCIAL POSTION  
DECEMBER 31, 2003**

<b>CURRENT ASSETS</b>	
Cash	<u>\$109,593</u>
<b>TOTAL ASSETS</b>	<u>109,593</u>
<b>LIABILITIES</b>	
Accounts Payable	<u>11,000</u>
<b>TOTAL LIABILITIES</b>	11,000
<b>NET ASSETS</b>	<u>98,593</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$109,593</u></u>

The notes to the financial statements are an integral part of this statement.

**CANAL WINCHESTER INDUSTRY AND COMMERCE CORPORATION  
FRANKLIN COUNTY**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2003**

<b>REVENUE:</b>	
INTEREST	\$0
GAIN ON SALE OF LAND	0
	<hr/>
<b>TOTAL REVENUE</b>	<b>0</b>
<b>EXPENSES:</b>	
IMPROVEMENTS	750
MAINTENANCE	2,580
MISCELLANEOUS	14,938
	<hr/>
<b>TOTAL EXPENSES</b>	<b>18,268</b>
	<hr/>
<b>CHANGE IN NET ASSETS</b>	<b>(18,268)</b>
<b>NET ASSETS AT THE BEGINNING OF YEAR</b>	<b>116,861</b>
	<hr/>
<b>NET ASSETS AT END OF YEAR</b>	<b>\$98,593</b>
	<hr/> <hr/>

The notes to the financial statements are an integral part of this statement.



**CANAL WINCHESTER INDUSTRY AND COMMERCE CORPORATION  
FRANKLIN COUNTY**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2003**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Decrease in net assets (18,268)

Adjustments to reconcile operating loss to net cash  
used by operating activities: 0

**NET CASH USED BY OPERATING ACTIVITIES (18,268)**

**CASH, BEGINNING OF YEAR** 127,861

**CASH, END OF YEAR** \$109,593

The notes to the financial statements are an integral part of this statement.

**CANAL WINCHESTER INDUSTRY AND COMMERCE CORPORATION  
FRANKLIN COUNTY**

**STATEMENT OF FINANCIAL POSTION  
DECEMBER 31, 2002**

<b>CURRENT ASSETS</b>	
Cash	<u>\$127,861</u>
<b>TOTAL ASSETS</b>	<u>127,861</u>
<b>LIABILITIES</b>	
Accounts Payable	<u>11,000</u>
<b>TOTAL LIABILITIES</b>	11,000
<b>NET ASSETS</b>	<u>116,861</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$127,861</u></u>

The notes to the financial statements are an integral part of this statement.

**CANAL WINCHESTER INDUSTRY AND COMMERCE CORPORATION  
FRANKLIN COUNTY**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2002**

<b>REVENUE:</b>	
INTEREST	\$0
SALE OF LAND	223,300
	<hr/>
<b>TOTAL REVENUE</b>	223,300
 <b>EXPENSES:</b>	
TITLE FEES	16,213
IMPROVEMENTS	17,081
MAINTENANCE	49,845
MISCELLANEOUS	19,626
	<hr/>
<b>TOTAL EXPENSES</b>	102,765
	<hr/>
<b>CHANGE IN NET ASSETS</b>	120,535
 <b>NET ASSETS AT THE BEGINNING OF YEAR</b>	 (3,674)
<b>NET ASSETS AT END OF YEAR</b>	<hr/> <u>\$116,861</u> <hr/>

The notes to the financial statements are an integral part of this statement.

**CANAL WINCHESTER INDUSTRY AND COMMERCE CORPORATION  
FRANKLIN COUNTY**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2002**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Increase in net assets \$120,535

Adjustments to reconcile operating loss to net cash  
used by operating activities: 0

**NET CASH PROVIDED BY OPERATING ACTIVITIES** 120,535

**CASH, BEGINNING OF YEAR** 7,326

**CASH, END OF YEAR** \$127,861

The notes to the financial statements are an integral part of this statement.

**CANAL WINCHESTER INDUSTRY AND COMMERCE CORPORATION  
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2003 AND 2002**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities** – The Canal Winchester Industry and Commerce Corporation (“the Corporation”) was incorporated in 1994. The Corporation is a nonprofit entity which was formed to encourage and promote the industrial, economic, commercial and civic development of the Village of Canal Winchester, a related organization.

**Basis of Accounting** – Assets and liabilities and revenue and expense are recognized on the accrual basis of accounting. Therefore, certain revenue and the related assets are recognized when earned rather than when received, and certain expenses are recognized when incurred rather than when the obligation was paid.

**Income Taxes** – The Corporation is exempt from federal and state income taxes under Internal Revenue Code Section 501(c) (3) and Chapters 1702 and 1724 of the Ohio Revised Code.

**Basis of Presentation** – Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in Statement of Financial Accounting Standards No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Corporation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. As of December 31, 2003 and 2002 net assets are unrestricted.

**Cash Equivalents** – The Corporation considers short term investments with an original maturity of three months or less to be cash equivalents for the cash flows statement. The Corporation had no short term investments as of December 31, 2003 and 2002.

**Estimates** – The preparation of the 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 could differ from those estimates.

**2. LAND FOR RESALE**

The Village of Canal Winchester owns approximately 80 acres of land for which the Corporation locates buyers who the Board of Directors feel will increase industry and commerce in the Village. When a potential buyer is located, the land is transferred from the Village to the Corporation who will proceed with selling the land. No land for resale is reflected on the Corporation’s financial statements.

**3. REAL ESTATE TRANSACTION**

During the year ended December 31, 2002, the Corporation sold Lot 11 in Canal Points Industry and Commerce Park and 2.6 acres of land to Graham Electric Company.

**This page intentionally left blank.**



**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL  
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Board of Directors  
Canal Winchester Industry and Commerce Corporation  
Franklin County  
36 S. High Street  
Canal Winchester, OH 43110

We have audited the accompanying financial statements of the Canal Winchester Industry and Commerce Corporation, Franklin County, Ohio, (the Corporation) as of and for the years ended December 31, 2003 and December 31, 2002. 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.

**Compliance**

As part of obtaining reasonable assurance about whether the Corporation's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could directly and materially affect 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 we must report under *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Corporation'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 of 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.

35 N. Fourth St. / Second Floor / Columbus, OH 43215  
Telephone: (614) 466-3402 (800) 443-9275 Fax: (614) 728-7199  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

Canal Winchester Industry and Commerce Corporation  
Franklin County  
Independent Accountants' Report on Compliance and Internal Controls  
Required by *Government Auditing Standards*  
Page 2

This report is intended solely for the information and use of management, the Board of Directors and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

February 11, 2005





**Auditor of State  
Betty Montgomery**

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

**CANAL WINCHESTER INDUSTRY AND COMMERCE CORP.  
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  
MARCH 29, 2005**