

**GREATER HAMILTON CONVENTION AND
VISITORS' BUREAU OF BUTLER COUNTY
STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS AND
CASH BALANCES
DECEMBER 31, 2003 AND 2002
TOGETHER WITH
AUDITOR'S REPORT**



**Auditor of State
Betty Montgomery**

Board of Trustees
Greater Hamilton Convention and Visitors' Bureau of Butler County

We have reviewed the Independent Auditor's Report of the Greater Hamilton Convention and Visitors' Bureau of Butler County, prepared by Stephenson & Warner, Inc. for the audit period January 1, 2002 through December 31, 2003. 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 Greater Hamilton Convention and Visitors' Bureau of Butler County is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY
Auditor of State

August 6, 2004

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**GREATER HAMILTON CONVENTION AND VISITORS'
BUREAU OF BUTLER COUNTY**

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STEPHENSON AND WARNER, INC.
Certified Public Accountants

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Members of:

A.I.C.P.A.
O.S.C.P.A.

Independent Auditor's Report

To Board of Trustees of
Greater Hamilton Convention and Visitors' Bureau of Butler County
Hamilton, Ohio

We have audited the accompanying statements of cash receipts and disbursements and cash balances arising from cash transactions of Greater Hamilton Convention and Visitors' Bureau of Butler County for the years ended December 31, 2003 and 2002. 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 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 the 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 1, these financial statements were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash receipts and disbursements arising from cash transactions of Greater Hamilton Convention and Visitors' Bureau of Butler County for the years ended December 31, 2003 and 2002, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2004 on our consideration of Greater Hamilton Convention and Visitors' Bureau of Butler County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

STEPHENSON AND WARNER, INC.
Certified Public Accountants

June 30, 2004

**GREATER HAMILTON CONVENTION AND VISITORS' BUREAU
OF BUTLER COUNTY
STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS AND CASH BALANCES
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002**

	<u>2003</u>	<u>2002</u>
Cash receipts		
Lodgers' tax	\$ 70,133	\$ 79,810
Event income	2,975	-
Contributions	<u>395</u>	<u>-</u>
Total cash receipts	73,503	79,810
Cash disbursements		
Compensation	38,380	38,197
Marketing and advertising	10,668	12,852
Payroll related taxes	5,176	5,025
Printing and office supplies	2,275	1,454
Telephone	3,835	3,279
Event expenses	1,225	-
Miscellaneous	-	369
Postage	2,042	2,133
Auto mileage, meetings and conferences	200	481
Meetings and conferences	820	896
Health insurance	5,532	9,686
Dues and subscriptions	1,261	1,303
Insurance	677	244
Equipment leasing	254	610
Accounting fees	350	1,873
Utilities	533	606
Interest and bank charges	167	23
Repairs and maintenance	<u>862</u>	<u>1,926</u>
Total cash disbursements	<u>74,257</u>	<u>80,957</u>
Decrease in cash	(754)	(1,147)
Cash, beginning of year	<u>17,771</u>	<u>18,918</u>
Cash, end of year	<u>\$ 17,017</u>	<u>\$ 17,771</u>

**The accompanying notes to financial statements
are an integral part of these statements.**

**GREATER HAMILTON CONVENTION AND VISITORS'
BUREAU OF BUTLER COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002**

Nature of Operations - Greater Hamilton Convention and Visitors' Bureau of Butler County, the Organization, is a not-for-profit organization, incorporated in Ohio. The Organization provides various services to promote convention and visitor business in Hamilton, Butler County, Ohio.

Note 1 - Summary of Significant Accounting Policies

Basis of Accounting – The Organization's Statements of Cash Receipts and Disbursements and Cash Balances was prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The cash basis of accounting records cash receipts and cash disbursements. Cash receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Accordingly, the accompanying Statements of Cash Receipts and Disbursements and Cash Balances is not intended to present the financial position and results of operations in conformity with accounting principles generally accepted in the United States of America.

Income Taxes – The Organization is exempt from federal income tax under Section 501(c)(6) of the Internal Revenue Code.

Note 2 - Cash

The Organization has an interest bearing checking account.

Note 3 – Lease Obligations

The Organization leases office space at the Hamiltonian Hotel. The lease term is month to month. The annual rental is \$1. The Organization is responsible for its share of the utilities and maintenance. The Organization is required to maintain adequate public liability and property damage insurance.

Note 4 - Concentration of Risk

The Organization receives substantial revenue from the lodgers' tax, which is allocated by the City of Hamilton. The Organization conducts all of its business in the Hamilton, Butler County geographic area.

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**Report on Compliance and on Internal Control Over Financial Reporting
Based on An Audit of Financial Statements Performed In Accordance
With *Government Auditing Standards***

To Board of Trustees of
Greater Hamilton Convention and Visitors' Bureau of Butler County
Hamilton, Ohio

We have audited the statements of cash receipts and disbursements and cash balances of Greater Hamilton Convention and Visitors' Bureau of Butler County as of and for the years ended December 31, 2003 and 2002, and have issued our report thereon dated June 30, 2004. 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 Greater Hamilton Convention and Visitors' Bureau of Butler County's statements of cash receipts and disbursements and cash balances 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 as 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 Greater Hamilton Convention and Visitors' Bureau of Butler County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the statements of cash receipts and disbursements and cash balances 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.

STEPHENSON AND WARNER, INC.

Certified Public Accountants

However, we noted other matters involving the internal control over financial reporting and other management considerations that we have reported to management of Greater Hamilton Convention and Visitors' Bureau of Butler County in a separate letter dated June 30, 2004.

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

STEPHENSON AND WARNER, INC.

Certified Public Accountants

June 30, 2004



**Auditor of State
Betty Montgomery**

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GREATER HAMILTON CONVENTION AND VISITORS' BUREAU OF BUTLER COUNTY

BUTLER 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
AUGUST 24, 2004**