



**BELLEVUE AREA TOURISM AND VISITORS BUREAU
HURON COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED SEPTEMBER 30, 2004 AND 2005



**Auditor of State
Betty Montgomery**

**BELLEVUE AREA TOURISM AND VISITORS BUREAU
HURON COUNTY**

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**Auditor of State
Betty Montgomery**

Bellevue Area Tourism and Visitors Bureau
Huron County
P.O. Box 595
Flat Rock, OH 44828

To the Board of Trustees:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to a February 2, 2005, interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

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

Betty Montgomery
Auditor of State

June 12, 2006

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Bellevue Area Tourism and Visitors Bureau
Huron County
P.O. Box 595
Flat Rock, OH 44828

To the Board of Trustees:

We have audited the accompanying financial statements of the Bellevue Area Tourism and Visitors Bureau, Huron County, (the Bureau) as of and for the years ended September 30, 2005 and 2004. These financial statements are the responsibility of the 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 auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the District has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Revisions to GAAP would require the Bureau to reformat its financial statement presentation and make other changes effective for the years ended September 30, 2005 and 2004. While the Bureau does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to the new GAAP presentation requirements. The Auditor of State permits, but does not require governments to reformat their statements. The Bureau has elected not to reformat its statements. Since this Bureau does not use GAAP to measure financial statement amounts, the following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended September 30, 2005 and 2004, do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Bureau as of September 30, 2005 and 2004, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balances of the Bellevue Area Tourism and Visitors Bureau, Huron County, as of September 30, 2005 and 2004, and its cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The aforementioned revision to generally accepted accounting principles also requires the Bureau to include Management's Discussion and Analysis for the years ended September 30, 2005 and 2004. The Bureau has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 12, 2006, 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 grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.



Betty Montgomery
Auditor of State

June 12, 2006

**BELLEVUE AREA TOURISM AND VISITORS BUREAU
HURON COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>General</u>
Cash Receipts	
Hotel/Motel taxes	\$ 15,805
Membership dues	410
Other receipts	<u>186</u>
Total Cash Receipts	<u>16,401</u>
Cash Disbursements	
Current:	
Administrative	8,552
Advertising	3,148
Miscellaneous	<u>27</u>
Total Cash Disbursements	<u>11,727</u>
Total Receipts Over Disbursements	4,674
Fund Cash Balances, January 1	<u>1,018</u>
Fund Cash Balances, December 31	<u><u>\$ 5,692</u></u>

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

**BELLEVUE AREA TOURISM AND VISITORS BUREAU
HURON COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2004**

	General
Cash Receipts	
Hotel/Motel taxes	\$ 15,905
Interest earnings	3
Dues	100
Other receipts	8
Total Cash Receipts	16,016
Cash Disbursements	
Current:	
Administrative	8,300
Advertising	6,983
Professional services	903
Miscellaneous	31
Total Cash Disbursements	16,217
Total Disbursements Over Receipts	(201)
Fund Cash Balances, January 1	1,219
Fund Cash Balances, December 31	\$ 1,018

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

**BELLEVUE AREA TOURSIM AND VISITORS BUREAU
HURON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2005 AND 2004**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Bellevue Area Tourism and Visitors Bureau, Huron County, (the Bureau) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Bureau is directed by a Board of Trustees. The Board may consist of between three and seventeen members. Ten local organizations are invited to appoint one Trustee each, with the Bureau's membership having the option of electing up to seven appointed members. The purpose of the Bureau is to promote tourism, conferences, conventions, and group meetings to the Bellevue, Ohio area.

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

B. Basis of Accounting

These financial statements follow the basis of accounting the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The Bureau recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

C. Fund Accounting

The Bureau uses fund accounting to segregate cash and investments that are restricted as to use. The Bureau has one fund and classifies it as the General Fund, which is the general operating fund. It is used to account for all financial resources of the Bureau.

D. Budgetary Process

The Bureau budgets the General Fund annually.

1. Appropriations

The Board of Trustees annually approves appropriation measures and subsequent amendments at the object level.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of October 1.

A summary of 2005 and 2004 budgetary activity appears in Note 3.

**BELLEVUE AREA TOURSIM AND VISITORS BUREAU
HURON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2005 AND 2004
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

E. Property, Plant, and Equipment

The Bureau records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash at September 30 was as follows:

	2005	2004
Demand deposits	\$5,692	\$1,018

Deposits are insured by the Federal Depository Insurance Corporation.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending September 30, 2005 and 2004 follows:

2005 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 15,120	\$ 16,401	\$ 1,281
	\$ 15,120	\$ 16,401	\$ 1,281

2005 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 14,900	\$ 11,727	\$ 3,173
	\$ 14,900	\$ 11,727	\$ 3,173

2004 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 18,125	\$ 16,016	\$ 2,109
	\$ 18,125	\$ 16,016	\$ 2,109

2004 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 18,725	\$ 16,217	\$ 2,508
	\$ 18,725	\$ 16,217	\$ 2,508

**BELLEVUE AREA TOURSIM AND VISITORS BUREAU
HURON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2005 AND 2004
(Continued)**

4. HOTEL/MOTEL TAX

The City of Bellevue provides funding to the Bureau by remitting a portion of collections from the City's hotel/motel tax.

5. RISK MANAGEMENT

Commercial Insurance

The Bureau has obtained commercial insurance for general liability risk

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**Auditor of State
Betty Montgomery**

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

Bellevue Area Tourism and Visitors Bureau
Huron County
P.O. Box 595
Flat Rock, OH 44828

To the Board of Trustees:

We have audited the financial statements of the Bellevue Area Tourism and Visitors Bureau, Huron County, (the Bureau) as of and for the years ended September 30, 2005 and 2004, and have issued our report thereon dated June 12, 2006, wherein we noted the Bureau followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Bureau's internal control over financial reporting to determine our auditing procedures to express our opinion on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable 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 caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses

Compliance and Other Matters

As part of reasonably assuring whether the Bureau'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, providing an opinion 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*.

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Bellevue Area Tourism and Visitors Bureau
Huron County
Independent Accountants' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*
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We intend this report solely for the information and use of the audit committee, management, and the Board of Trustees. It is not intended for 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

June 12, 2006



**Auditor of State
Betty Montgomery**

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**BELLEVUE AREA TOURISM AND VISITORS BUREAU
HURON 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
JULY 6, 2006**