



**BOWLING GREEN CONVENTION AND VISITORS BUREAU
WOOD COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2005



**Auditor of State
Betty Montgomery**

**BOWLING GREEN CONVENTION AND VISITORS BUREAU
WOOD COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Cover Letter	1
Independent Accountants' Report.....	3
Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Balances – General Fund For the Years Ended December 31, 2005 and 2004	5
Notes to the Financial Statement.....	6
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	9

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**Auditor of State
Betty Montgomery**

Bowling Green Convention and Visitors Bureau
Wood County
119 E. Court Street
Bowling Green, Ohio 43402-2402

To the Board of Directors:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statement 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 statement 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 statement 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

October 19, 2006

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Bowling Green Convention and Visitors Bureau
Wood County
119 E. Court Street
Bowling Green, Ohio 43402-2402

To the Board of Directors:

We have audited the accompanying financial statement of the Bowling Green Convention and Visitors Bureau, Wood County, (the Bureau) as of and for the years ended December 31, 2005 and 2004. This financial statement is the responsibility of the Bureau's management. Our responsibility is to express an opinion on this financial statement 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 statement. 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 Bureau has prepared this financial statement 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 statement 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 December 31, 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 statement. 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 statement referred to above for the years ended December 31, 2005 and 2004, does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Bureau as of October 19, 2006, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statement referred to above presents fairly, in all material respects, the fund cash balances of the Bowling Green Convention and Visitors Bureau, Wood County, as of December 31, 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 December 31, 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 statement.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 19, 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

October 19, 2006

**BOWLING GREEN CONVENTION AND VISITORS BUREAU
WOOD COUNTY**

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGES IN CASH BALANCES - GENERAL FUND
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004

	2005	2004
Cash Receipts		
Hotel/Motel Taxes	\$ 57,261	\$ 50,189
Charges for Services	7,633	7,195
Interest	46	77
Total Cash Receipts	64,940	57,461
Cash Disbursements		
Administrative	25,759	13,496
Operating	16,733	20,150
Advertising/Promotion	15,712	21,861
Program Development	3,837	5,675
Total Cash Disbursements	62,041	61,182
Total Cash Receipts Over/(Under) Cash Disbursements	2,899	(3,721)
Cash Balances, January 1	24,672	28,393
Cash Balances, December 31	\$ 27,571	\$ 24,672

**BOWLING GREEN CONVENTION AND VISITORS BUREAU
WOOD COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2005 AND 2004**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Bowling Green Convention & Visitors Bureau, Bowling Green, Ohio, (the Bureau) is a 501(c)(6) non profit corporation 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 fifteen-member Board of Directors.

The Bowling Green Convention & Visitors Bureau and the City of BG entered into an agreement to establish and operate a Convention and Visitors Bureau. The Bureau promotes and publicizes the City of BG within the mission to attract visiting patrons generating economic benefits for the community. The Bureau promotes leisure travel, meetings and conventions as well as motor coach travel to the businesses within the community.

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

B. Basis of Accounting

This financial statement follows the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred.

This statement includes adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Fund Accounting

The Bureau uses only one fund classification, a General Fund. The General Fund is the general operating fund. It is used to account for all financial resources.

D. Budgetary Process

The Bureau must pass an annual budget and submit it to the Chamber of Commerce Board of Trustees, City Council, and City Municipal Administrator by March 15 of each year.

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

E. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as capital outlay disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

**BOWLING GREEN CONVENTION AND VISITORS BUREAU
WOOD COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2005 AND 2004
(Continued)**

2. EQUITY IN CASH

The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash at December 31 was as follows:

	<u>2005</u>	<u>2004</u>
Total Demand Deposits	<u>\$ 27,571</u>	<u>\$ 24,672</u>

Deposits are insured by the Federal Depository Insurance Corporation.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending 2005 and 2004 as follows:

2005 Budgeted vs. Actual Receipts

<u>Budgeted</u>	<u>Actual</u>	
Receipts	Receipts	Variance
<u>\$ 61,310</u>	<u>\$64,940</u>	<u>\$ 3,630</u>

2005 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Appropriation</u>	<u>Budgetary</u>	
Authority	Expenditures	Variance
<u>\$ 61,310</u>	<u>\$ 62,041</u>	<u>\$ (731)</u>

2004 Budgeted vs. Actual Receipts

<u>Budgeted</u>	<u>Actual</u>	
Receipts	Receipts	Variance
<u>\$ 44,600</u>	<u>\$ 57,461</u>	<u>\$ 12,861</u>

2004 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Appropriation</u>	<u>Budgetary</u>	
Authority	Expenditures	Variance
<u>\$ 43,950</u>	<u>\$ 61,182</u>	<u>\$ (17,232)</u>

**BOWLING GREEN CONVENTION AND VISITORS BUREAU
WOOD COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2005 AND 2004
(Continued)**

4. RETIREMENT SYSTEM

The Bureau has only one employee, who contributes to the Social Security Retirement System. The Bureau's liability is 6.2 percent of wages paid.

5 RISK MANAGEMENT

The Bureau has obtained commercial insurance for the following risks:

- Comprehensive property and general liability.
- Errors and omissions.



**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***

Bowling Green Convention and Visitors Bureau
Wood County
119 E. Court Street
Bowling Green, Ohio 43402-2402

To the Board of Directors:

We have audited the financial statement of the Bowling Green Convention and Visitors Bureau, Wood County, (the Bureau) as of and for the years ended December 31, 2005 and 2004, and have issued our report thereon dated October 19, 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. In a separate letter to the Bureau's management dated October 19, 2006, we reported other matters involving internal control over financial reporting we did not deem reportable conditions.

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*.

Bowling Green Convention and Visitors Bureau
Wood County
Independent Accountants' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*
Page 2

This report is intended for the information and use of management the executive committee and the Board of Directors, 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

October 19, 2006



**Auditor of State
Betty Montgomery**

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BOWLING GREEN CONVENTION AND VISITORS BUREAU

WOOD 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
NOVEMBER 30, 2006**