

**LAWRENCE COUNTY
CONVENTION AND VISITORS' BUREAU**

LAWRENCE COUNTY, OHIO

**FINANCIAL STATEMENT
JANUARY 1, 2003, THROUGH DECEMBER 31, 2003**

TOGETHER WITH INDEPENDENT AUDITOR'S REPORT



**Auditor of State
Betty Montgomery**

Board of Directors
Lawrence County Convention and Visitor's Bureau
P. O. Box 488
South Point, Ohio 45680

We have reviewed the *Independent Auditor's Report* of the Lawrence County Convention and Visitor's Bureau, Lawrence County, prepared by R.D.Conley & Company, for the audit period January 1, 2003 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 Lawrence County Convention and Visitor's Bureau is responsible for compliance with these laws and regulations.

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

BETTY MONTGOMERY
Auditor of State

March 10, 2006

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Lawrence County Convention and Visitor's Bureau
South Point, Ohio

I have audited the accompanying financial statements of the Lawrence County Convention and Visitor's Bureau, Lawrence County, Ohio, as of and for the year ended December 31, 2003. These financial statements are the responsibility of the Lawrence County Convention and Visitor's Bureau's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my 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 I 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. I believe that my audit provides a reasonable basis for my opinion.

As described in Note 1, the Lawrence County Convention and Visitor's Bureau prepares its financial statements on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In my opinion, the financial statements referred to above present fairly, in all material respects, the cash and fund balance of the Lawrence County Convention and Visitor's Bureau, Lawrence County, Ohio as of December 31, 2003, and its cash receipts and disbursements for the year then ended on the basis of accounting described in Note A.

In accordance with *Government Auditing Standards*, I have also issued my report dated May 9, 2005 on my consideration of the Lawrence County Convention and Visitor's Bureau's internal control over financial reporting and my 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 my audit.


R.D. CONLEY & COMPANY
Certified Public Accountant

Ashland, Kentucky
May 9, 2005

LAWRENCE COUNTY CONVENTION AND VISITOR'S BUREAU

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGES IN FUND CASH BALANCE - GOVERNMENTAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>General Fund</u>
Cash Receipts:	
Intergovernmental	\$ 36,764
Interest	60
Total Cash Receipts	<u>36,824</u>
Cash Disbursements:	
Current:	
General government	<u>42,687</u>
Total cash disbursements	<u>42,687</u>
Total receipts under disbursements	(5,923)
Fund cash balance, January 1, 2003	<u>12,366</u>
Fund cash balance, December 31, 2003	<u><u>\$ 6,443</u></u>

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

LAWRENCE COUNTY CONVENTION AND VISITORS' BUREAU

LAWRENCE COUNTY, OHIO

JANUARY 1, 2003, THROUGH DECEMBER 31, 2003

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Description of the Bureau

The Bureau is funded primarily by Lawrence County from lodging taxes assessed and collected by the County and distributed to the Bureau. These taxes are collected from hotels and motels within Lawrence County and are required to be used to promote tourism and travel in Lawrence County.

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 were prepared on the cash basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when a payment is made rather than when a liability is incurred.

C. Fund Accounting

The Bureau uses fund accounting to segregate cash and investments that are restricted as to use. The Bureau classifies its funds into the following types

General Fund

The General Fund is the general operating fund. It is used to account for all financial resources.

D. Property, Plant and Equipment

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

E. Federal Income Taxes

The Bureau qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal income tax is required.

F. Budgetary Process

The Bureau is not subject to the provisions of Section 5705 of the Revised Code as property tax revenues are not utilized to finance its operations. However, under the Bureau's policy, the Director provides the Board with an annual budget that is used as a guideline to control the disbursements of the Bureau.

2. Equity in Pooled Cash and Investments

The Ohio Revised Code prescribes allowable deposits and investments. The carry amount of cash and investments at December 31, 2003, was as follows:

Deposits

Checking account	<u>\$6,443</u>
Total cash deposits	<u>\$6,443</u>

Deposits are insured by the Federal Depository Insurance Corporation.

3. Lodging Tax

Lodging tax is assessed and collected by Lawrence County on all hotels and motels within their respective jurisdiction. These taxes are required to be used to promote travel and tourism in the area. The Bureau pays operational and promotional expenses from these funds. In 2003, the Bureau received Lodging Tax in the amount of \$36,764 from Lawrence County.

4. Risk Management

The Bureau has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Errors and Omissions

5. Related Party

The Lawrence County Convention and Visitor's Bureau is operated by Lawrence Economic Development Corporation through a contractual agreement.

**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 the Board of Directors
Lawrence County Convention and Visitor's Bureau
South Point, Ohio

I have audited the financial statements of Lawrence County Convention and Visitor's Bureau, as of and for the year ended December 31, 2003, and have issued my report thereon dated May 9, 2005. I conducted my 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 Lawrence County Convention and Visitor's Bureau's general purpose financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my 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 my audit, I considered Lawrence County Convention and Visitor's Bureau's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. My 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 general purpose 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended solely for the information and use of the audit committee, management and specified state regulatory agencies, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, consisting of the letters 'R', 'D', 'C', and 'C' with a stylized flourish extending from the second 'C'.

R.D CONLEY & COMPANY
Certified Public Accountant

Ashland, Kentucky
May 9, 2005



**Auditor of State
Betty Montgomery**

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LAWRENCE COUNTY CONVENTION AND VISITOR'S BUREAU

LAWRENCE 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 23, 2006**