

HILLIARD CONVENTION AND VISITORS BUREAU
AUDITED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006



Mary Taylor, CPA
Auditor of State

Board of Trustees
Hilliard Convention and Visitors Bureau
5354 Cemetery Road
Hilliard, Ohio 43026

We have reviewed the *Independent Auditor's Report* of the Hilliard Convention and Visitors Bureau, Franklin County, prepared by Stemen, Mertens, Stickler, Phillips CPAs & Associates, for the audit period January 1, 2006 through December 31, 2007. 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 Hilliard Convention and Visitors Bureau is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

July 8, 2008

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HILLIARD CONVENTION AND VISITORS BUREAU
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

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Independent Auditor's Report

May 14, 2008

To the Board of Trustees
Hilliard Convention and Visitors Bureau
Hilliard, Ohio

We have audited the accompanying statements of assets and net assets - cash basis of the Hilliard Convention and Visitors Bureau, as of December 31, 2007 and 2006, and the related statements of revenues, expenses, and changes in net assets - cash basis for the years then ended. 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 our 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 audits provide a reasonable basis for our opinion.

As described in Note A, these financial statements were prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Hilliard Convention and Visitors Bureau as of December 31, 2007 and 2006, and its revenues, expenses and changes in net assets for the years then ended, on the basis of accounting described in Note A.

In accordance with Government Auditing Standards, we have also issued our report dated May 14, 2008 on our consideration of the Hilliard Convention and Visitors Bureau's internal control over financial reporting and our tests of its compliance with certain provisions of laws regulations, contracts and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. 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 audits.

Stemen Mertens Stickler Phillips CPAs & Associates

Stemen, Mertens, Stickler, Phillips CPAs & Associates
Columbus, Ohio

HILLIARD CONVENTION AND VISITORS BUREAU
STATEMENTS OF ASSETS AND NET ASSETS - CASH BASIS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

ASSETS

	<u>2007</u>	<u>2006</u>
<u>Current Assets</u>		
Cash and Cash Equivalents	\$ 208,133	\$ 172,686
Total Cash and Cash Equivalents	<u>\$ 208,133</u>	<u>\$ 172,686</u>

NET ASSETS

<u>Net Assets</u>		
Unrestricted	\$ 208,133	\$ 172,686
Total Net Assets	<u>\$ 208,133</u>	<u>\$ 172,686</u>

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

HILLIARD CONVENTION AND VISITORS BUREAU
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

CHANGES IN UNRESTRICTED NET ASSETS	Unrestricted	
	2007	2006
Revenue and Other Support		
Receipts From Excise Tax on Lodging	\$ 83,405	\$ 89,261
Interest Income	8,865	6,135
Membership Fees	800	800
Total Revenue and Other Support	93,070	96,196
Expenses		
Salaries	26,400	25,200
Payroll Taxes	2,240	2,082
Rent	7,500	7,500
Electric	1,360	1,164
Telephone	1,962	1,959
Postage	203	196
Bank Charges	178	67
Printing	683	11,415
Office Supplies	514	509
Insurance - Casualty	472	472
Janitorial Services	220	220
Dues	35	35
Entertainment	19	51
Website	600	850
Advertising	5,985	5,314
Event Sponsorship	4,500	4,500
Grants	4,000	2,500
Travel	234	336
Audit	-	3,691
Miscellaneous	409	200
Computer Service	109	-
Total Expenses	57,623	68,261
Increase in Net Assets	35,447	27,935
Net Assets, Beginning of Year	172,686	144,751
Net Assets, End of Year	\$ 208,133	\$ 172,686

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

HILLIARD CONVENTION AND VISITORS BUREAU
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

A. Summary of Significant Accounting Policies

Nature of Activities

The Hilliard Convention and Visitors Bureau (the Organization) was created to promote, develop and encourage interest in tourist attractions in the City of Hilliard and to promote the City as a location for meetings and conventions of various organizations throughout the Ohio area. The Organization was established in 1991.

Basis of Accounting

The accompanying financial statements have been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Consequently, receipts are recognized when received in cash rather than when earned and disbursements are recognized when payment is made rather than when a liability is incurred. Accordingly, the accompanying statements of revenue, expenses, and changes in net assets are not intended to present the financial position and results of operations in conformity with accounting principles generally accepted in the United States of America.

Cash and Cash Equivalents

The Organization considers the certificates of deposit with maturities of less than one year to be cash equivalents.

Unrestricted Net Assets

Unrestricted net assets are resources that are not subject to donor-imposed stipulations.

Income Taxes

The Organization is exempt from Federal Income Tax under Section 501(c)(6) of the Internal Revenue Code and therefore, no provision has been made for income taxes.

B. Equity in Pooled Cash and Cash Equivalents

The Organization maintains a pool of deposits used by all funds. The carrying amount of cash and deposits at December 31, consisted of the following:

	2007	2006
Petty Cash	\$ 50	\$ 50
Checking	1,638	2,904
Savings	56,445	19,732
Certificates of Deposit	150,000	150,000
Total	\$ 208,133	\$ 172,686

C. Reliance on Bed Tax Receipts

The Organization receives a significant amount of its support from a permissive lodging excise tax. The amount of receipts is solely dependent on the number of hotel rooms in the City of Hilliard, the occupancy rate of those rooms, and the average rental rate. The excise tax is collected by the City of Hilliard Auditor's office. The loss of these receipts would have an adverse effect on the Organization's financial condition.

D. Advertising

Cost of advertising and promotion are recognized when paid. The amount charged to advertising expense for the years ended December 31, 2007 and 2006 was \$5,985 and \$5,314, respectively.

HILLIARD CONVENTION AND VISITORS BUREAU
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

E. Lease Obligation

The Organization currently rents office space on a month to month basis. Rental expense was \$7,500 for each of the years ending December 31, 2007 and 2006.

F. Related Party

The Organization paid casualty insurance coverage to a board member's company of \$472 and \$472 during 2007 and 2006, respectively. The transactions involving this related party are considered to be at arm's length.

G. Concentration of Credit Risk

The Organization maintained a cash balance at Fifth Third Bank as of December 31, 2007 in excess of the Federal Deposit Insurance Corporation's \$100,000 insured amount by \$8,083.



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REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Trustees
Hilliard Convention and Visitors Bureau
Hilliard, Ohio

We have audited the accompanying financial statements of the Hilliard Convention and Visitors Bureau as of and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated May 14, 2008, wherein we noted that the Hilliard Convention and Visitors Bureau prepared its financial statements using the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. 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.

Internal Control over Financial Reporting

In planning and performing our audits, we considered the Hilliard Convention and Visitors Bureau's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Hilliard Convention and Visitors Bureau's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Hilliard Convention and Visitors Bureau's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Hilliard Convention and Visitors Bureau's ability to initiate, authorize, record, process, or report financial data reliably in accordance with the cash basis of accounting such that there is more than a remote likelihood that a misstatement of the Hilliard Convention and Visitors Bureau's financial statements that is more than inconsequential will not be prevented by the Hilliard Convention and Visitors Bureau's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Hilliard Convention and Visitors Bureau's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Hilliard Convention and Visitors Bureau's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

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

Stemen Mertens Stickler Phillips CPAs & Associates

Stemen, Mertens, Stickler, Phillips CPAs & Associates
Columbus, Ohio
May 14, 2008



Mary Taylor, CPA
Auditor of State

HILLIARD CONVENTION AND VISITORS BUREAU

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
JULY 22, 2008**