

Oxford Visitors and Convention Bureau

Butler County

Regular Audit

January 1, 2006 through December 31, 2007

Years Audited Under GAGAS: 2007 and 2006

BALESTRA, HARR & SCHERER, CPAs, INC.

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Mary Taylor, CPA
Auditor of State

Board of Trustees
Oxford Visitors and Convention Bureau
30 W. Park Place
Oxford, Ohio 45056

We have reviewed the *Independent Auditor's Report* of the Oxford Visitors and Convention Bureau, Butler County, prepared by Balestra, Harr & Scherer, CPAs, Inc., 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 Oxford Visitors and Convention Bureau is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

August 25, 2008

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Oxford Visitors and Convention Bureau
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Member American Institute of Certified Public Accountants

Ohio Society of Certified Public Accountants

Independent Auditor's Report

Oxford Visitors and Convention Bureau
Butler County, Ohio
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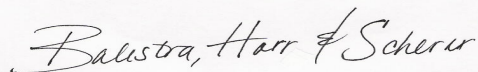
We have audited the accompanying financial statements of the Oxford Visitors and Convention Bureau (the Bureau), as of and for the years ended December 31, 2007 and 2006 as listed in the table of contents. These financial statements are the responsibility of the Bureau's management. Our responsibility 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 *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 significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the Bureau prepares its financial statements 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 balances of the Bureau as of December 31, 2007 and 2006, and the cash receipts and disbursements for the years then ended, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2008, on our consideration of the Bureau's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we do 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.



Balestra, Harr & Scherer, CPAs, Inc.
June 23, 2008

Oxford Visitors and Convention Bureau
Statements of Cash Receipts, Cash Disbursements and Changes in Cash Balances
For the Years Ended December 31, 2007 and 2006

	2007	2006
Cash receipts		
Bed tax	\$129,620	\$124,129
Project revenue	25,682	21,915
Other	42,003	4,787
Total cash receipts	197,305	150,831
 Cash disbursements		
Administration		
Salaries	72,235	56,479
Payroll taxes and benefits	16,608	9,549
Total administration	88,843	66,028
 Operations		
Rent	4,080	4,512
Telephone	3,071	2,535
Postage	3,227	3,166
Insurance	1,016	1,770
Professional fees	6,706	6,083
Dues	965	3,005
Miscellaneous expenses	1,620	1,868
Printing	1,564	605
Advertising and promotion	21,194	19,039
Travel	1,367	1,264
Office supplies and equipment	5,632	2,409
Education	3,789	3,446
Maintenance and repairs	3,765	1,678
Total operations	57,996	51,380
 Project expenses		
Printing	1,318	0
Festival expenses	21,482	23,729
Advertising and promotion	957	532
Total project expenses	23,757	24,261
Total cash disbursements	170,596	141,669
Excess of receipts over disbursements	26,709	9,162
Cash balance, January 1	12,806	3,644
Cash balance, December 31	\$39,515	\$12,806

See accompanying notes to the financial statements.

Oxford Visitors and Convention Bureau
Notes to the Financial Statements
December 31, 2007 and 2006

Note 1- Summary of significant accounting policies

Description of the Entity - The Oxford Visitors and Convention Bureau, Butler County, Ohio, (the Bureau) is a not-for-profit organization established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Bureau promotes travel and tourism in the City of Oxford, and is funded by an excise tax on lodging of transient guests within the City of Oxford.

The Bureau was incorporated in December 2005 and has established its own governing board. The Bureau serves the public by encouraging economic development of the City of Oxford through the promotion of tourism.

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

Basis of Accounting - These financial statements follow the cash basis of accounting. Receipts are recognized when received in cash rather than earned, and disbursements are recognized when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, in accordance with the basis of accounting described in the preceding paragraph.

Cash and Investments - The Bureau maintains a checking account at the local level. There were no investments in 2007 or 2006.

Property, Plant and Equipment - Acquisitions of property, plant and equipment are recorded as disbursements when paid.

Budgetary Process - Budgetary law, as outlined in Chapter 1 of the Ohio Revised Code, is not applicable to the Bureau. However, annual operating budgets are adopted by the Bureau as a management tool for monitoring financial activity and decision-making.

Income Taxes - The Bureau is exempt from income taxes under Section 501 (C)(6) of the Internal Revenue Code.

Note 2- Cash

The carrying amount of cash at December 31 was as follows:

	<u>2007</u>	<u>2006</u>
Demand Deposits	<u>\$39,515</u>	<u>\$12,806</u>

Cash on deposit with the Bureau's banking institution was fully covered by federal depository insurance for the years ended December 31, 2007 and 2006.

**Oxford Visitors and Convention Bureau
Notes to the Financial Statements
December 31, 2007 and 2006**

Note 3 – Concentration of Cash Revenue

The Bureau receives nearly all of its support from the City of Oxford Motel/Hotel Bed Tax.

Note 4 – Leases

In April 2006, the Bureau entered into a rental lease agreement for office space. The agreement is for a term of 2 years, ending March 31, 2008 and requires an annual payment of \$4,080. This annual payment is to be remitted in equal monthly installments of \$340.

Note 5 – Risk Management

The Bureau has obtained commercial insurance for the following risk:

- General Liability

Settled claims resulting from this risk have not exceeded commercial insurance coverage in any of the past three years. The Bureau has not incurred significant reductions in insurance coverage from the prior year by category or risk.

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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***

Oxford Visitors and Convention Bureau
Butler County, Ohio
30 W. Park Place
Oxford, Ohio 45056

We have audited the accompanying financial statements of the Oxford Visitors and Convention Bureau (the Bureau), as of and for the years ended December 31, 2007 and 2006, which collectively comprise the Bureau's basic financial statements as listed in the table of contents, and have issued our report thereon dated June 23, 2008, where in we noted the Bureau follows the cash basis of accounting. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the 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 Bureau's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the 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 Bureau's ability to initiate, authorize, record, process, or report financial data reliably in accordance with Bureau's cash basis of accounting such that there is more than a remote likelihood that the Bureau's internal control will not prevent or detect or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies, resulting in more than a remote likelihood that the Bureau's internal control will not prevent or detect a material financial statement misstatement.

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

We noted certain matters that we reported to the Bureau's management in a separate letter dated June 23, 2008.

Oxford Visitors and Convention Bureau

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*

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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 effect 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*.

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



Balestra, Harr & Scherer, CPAs, Inc.
June 23, 2008



Mary Taylor, CPA
Auditor of State

OXFORD VISITORS AND CONVENTION BUREAU

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
SEPTEMBER 4, 2008**