



Mary Taylor, CPA  
Auditor of State



**SPRINGFIELD AREA CONVENTION AND VISITORS BUREAU  
CLARK COUNTY**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Independent Accountants' Report.....	1
Statement of Financial Position – December 31, 2007.....	3
Statement of Activities – For the Year Ended December 31, 2007 .....	4
Statement of Cash Flows - For the Year Ended December 31, 2007 .....	5
Notes to the Financial Statements For the Year Ended December 31, 2007.....	7
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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# Mary Taylor, CPA

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## INDEPENDENT ACCOUNTANTS' REPORT

Springfield Area Convention and Visitors Bureau  
Clark County  
20 South Limestone Street, Suite 100  
Springfield, Ohio 45502

To the Board of Trustees:

We have audited the accompanying statement of financial position of the Springfield Area Convention and Visitors Bureau, Clark County (the Bureau), as of December 31, 2007, and the related statements of activities and cash flows for the year then ended. 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 of the United States' *Government Auditing Standards*. 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Springfield Area Convention and Visitors Bureau, Clark County as of December 31, 2007 and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 5, 2008 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.

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**Mary Taylor, CPA**  
Auditor of State

September 5, 2008

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**SPRINGFIELD AREA CONVENTION AND VISITORS BUREAU  
CLARK COUNTY**

**STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2007**

<b>Assets</b>		
<b>Current Assets</b>		
Cash	\$284,140	
Accounts Receivable	49,722	
Total Current Assets		<u>\$333,862</u>
<b>Capital Assets</b>		
Office Equipment	11,735	
Furniture and Fixtures	9,866	
Accumulated Depreciation	(960)	
Total Capital Assets		<u>20,641</u>
Total Assets		<u><u>354,503</u></u>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts Payable	22,717	
Credit Card Payable	100	
Accrued Expenses	2,000	
Total Current Liabilities		<u>24,817</u>
<b>Net Assets</b>		
Unrestricted	329,686	
Total Net Assets		<u>329,686</u>
Total Liabilities and Net Assets		<u><u>\$354,503</u></u>

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

**SPRINGFIELD AREA CONVENTION AND VISITORS BUREAU  
CLARK COUNTY**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2007**

**Revenues**

City of Springfield Bed Tax	\$320,368	
Springfield Township Bed Tax	60,599	
Interest Income	6,236	
Other Income	189	
Total Revenues	<u>                    </u>	\$387,392

**Administrative Expenses**

Administration Fees	225,938	
Professional Fees	1,278	
Sales Prpogram	1,883	
Travel	2,163	
Affiliations	2,947	
Staff Training	970	
Office Expense	1,219	
Depreciation	2,159	
Total Administrative Expenses	<u>                    </u>	238,557

**Program Expenses**

Community Branding and Marketing	7,417	
Association and Groups	12,807	
In House Printing and Publications	47,128	
Motor Coach Marketing	9,765	
Community Marketing Bank	27,522	
Heritage Tourism Promotion	28,841	
Special Convention Expenses	3,358	
Culturral Tourism Promotion	4,246	
Total Program Expenses	<u>                    </u>	141,084

Total Expenses	<u>                    </u>	379,641
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**Other Income/(Expense)**

Loss on Disposal of Assets	<u>                    </u>	(8,066)
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Change In Net Assets		(315)
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Net Assets - Beginning of Year	<u>                    </u>	330,001
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Net Assets - End of Year	<u>                    </u>	<u>                    </u>
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*The accompanying notes are an integral part of these financial statements.*

**SPRINGFIELD AREA CONVENTION AND VISITORS BUREAU  
CLARK COUNTY**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2007**

<b>Cash Flows From Operating Activities</b>	
Change in Net Assets	(\$315)
<b>Adjustment to Reconcile Change in Net Assets</b>	
to Net Assets Provided by Operating Activities:	
Depreciation	2,159
(Increase) Decrease in Operating Assets:	
Accounts Receivable	1,885
<b>Increase (Decrease) in Operating Liabilities:</b>	
Accounts Payables	20,231
Accrued Expenses	2,000
Credit Card Payable	100
Net Cash Provided by Operating Activities	<u>\$26,060</u>
<b>Cash Flow From Investing Activities</b>	
Purchase of Property and Equipment	(19,228)
Sales of fixed assets	3,300
Loss on disposal of assets	8,066
Net Cash Used in Investing Activities	<u>(7,862)</u>
Increase In Cash	18,198
Cash - Beginning of the Year	<u>265,942</u>
Cash - Ent of the Year	<u><u>\$284,140</u></u>

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

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**SPRINGFIELD AREA CONVENTION AND VISITORS BUREAU  
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of Accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principals generally accepted in the United States of America.

**B. Basis of Presentation**

The financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS 117), *Financial Statements of Not-For-Profit Organizations*. Under SFAS 117, the Bureau is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporary restricted net assets and permanently restricted net assts.

**C. Capital Assets**

Capital assets are carried at cost, less accumulated depreciation computed on the straight line method over their estimated useful lives. When assets are sold, disposed of, or abandoned, the cost and accumulated depreciation is reduced and the resulting gain or loss is reflected as gain/loss on sale/disposal of assets. Properties and equipment are depreciated over their estimated useful lives as follows:

<u>Description</u>	<u>Estimated Lives in Years</u>
Computers/Peripherals	3-5
Furniture and Fixtures	7-12
Equipment	7-12
Leasehold Improvements	15-25

**D. Tax Status**

The Bureau is a non-profit organization and, as such, does not pay federal, state, or local income taxes under Section 501 (c) (6) of the Internal Revenue Code.

**E. Funding**

The Bureau has a 3 year contract, ending December 31, 2008, with the City of Springfield and the Springfield Township requiring the Bureau to promote the City and surrounding area for conventions and tourism. The agreement provides that the City and the Township fund the promotion from an accommodation tax. The provisions are so written that the funding is based upon total accommodation tax collections received by the City and the Township. Any monies not expended by the Bureau in a fiscal year shall be held by the Bureau for allocation to the Bureau's expanding programs and special projects subject to reasonable budget approval by the Bureau's Board of Trustees.

**F. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United State of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**SPRINGFIELD AREA CONVENTION AND VISITORS BUREAU  
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007**

**2. DONATED SERVICES**

No amounts have been reflected in the statements for donated services since no objective basis is available to measure the value of such services.

**3. RELATED PARTY TRANSACTIONS**

The Bureau operates in conjunction with the Greater Springfield Chamber of Commerce. As such, the administrative fee of \$225,938 charged includes the Bureau's proportionate share of salaries, payroll taxes, employee benefits, facility costs, fees, overhead, and other administrative costs. Payments made to the Chamber of Commerce during the period equaled \$256,815.

**4. CONCENTRATION OF CREDIT RISK**

The Bureau maintains cash balances with a financial institution throughout the year in excess of the amount insured by the Federal Depository Insurance Corporation. The financial institution has a strong credit rating and management believes there is minimal risk concerning these deposits.



# Mary Taylor, CPA

Auditor of State

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

Springfield Area Convention and Visitors Bureau  
Clark County  
20 South Limestone Street, Suite 100  
Springfield, Ohio 45502

To the Board of Trustees:

We have audited the financial statements of the Springfield Area Convention and Visitors Bureau, Clark County, (the Bureau) as of and for the year ended December 31, 2007, and have issued our report thereon dated September 5, 2008. 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 as a basis for designing our audit procedures for expressing our opinion on the financial statements, but not to opine 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 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 its applicable accounting basis, such that there is more than a remote likelihood that the Bureau's internal control will not prevent 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 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 the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

### **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*.

We intend this report solely for the information and use of the audit committee, management, and the Board of Trustees. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

**Mary Taylor, CPA**  
Auditor of State

September 5, 2008



**Mary Taylor, CPA**  
Auditor of State

**SPRINGFIELD AREA CONVENTION AND VISITORS BUREAU**

**CLARK 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 30, 2008**