

**WEST LICKING DEVELOPMENT
GROUP COMMUNITY
IMPROVEMENT CORPORATION**
LICKING COUNTY, OHIO

REGULAR AUDIT

**FOR THE YEARS ENDED
DECEMBER 31, 2021 & 2020**



88 East Broad Street
Columbus, Ohio 43215
IPARReport@ohioauditor.gov
(800) 282-0370

Governing Board
West Licking Development Group Community Improvement Corporation
P.O. Box 188
Etna, Ohio 43018

We have reviewed the *Independent Auditor's Report* of the West Licking Development Group Community Improvement Corporation, Licking County, prepared by Julian & Grube, Inc., for the audit period January 1, 2020 through December 31, 2021. 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 West Licking Development Group Community Improvement Corporation is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

December 15, 2022

This page intentionally left blank.

**WEST LICKING DEVELOPMENT GROUP
COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY, OHIO**

TABLE OF CONTENTS

Independent Auditor’s Report	1 - 3
Financial Statements for the Year Ended December 31, 2021:	
Statement of Financial Position.....	4
Statement of Activities	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 10
Financial Statements for the Year Ended December 31, 2020:	
Statement of Financial Position.....	11
Statement of Activities	12
Statement of Cash Flows	13
Notes to Financial Statements	14 - 16
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	17 - 18
Schedule of Findings and Responses.....	19
Summary Schedule of Prior Audit Findings.....	20

This page intentionally left blank.

Independent Auditor's Report

West Licking Development Group Community Improvement Corporation
Licking County
P.O. Box 188
Etna, Ohio 43018

To the Board of Directors:

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the West Licking Development Group Community Improvement Corporation (a nonprofit organization), Licking County, Ohio, which comprise the statement of financial position as of December 31, 2021 and 2020, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the West Licking Development Group Community Improvement Corporation as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the West Licking Development Group Community Improvement Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Substantial Doubt About the West Licking Development Group Community Improvement Corporation's Ability to Continue as a Going Concern

The accompanying financial statements have been prepared assuming that the West Licking Development Group Community Improvement Corporation will continue as a going concern. As discussed in Note 5 to the financial statements, the West Licking Development Group Community Improvement Corporation's articles of incorporation have been cancelled by the Secretary of State of Ohio on October 13, 2017, raising substantial doubt about its ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in Note 5. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinions are not modified with respect to this matter.

Emphasis of Matter

As described in Note 7 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the West Licking Development Group Community Improvement Corporation. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the West Licking Development Group Community Improvement Corporation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the West Licking Development Group Community Improvement Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the West Licking Development Group Community Improvement Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2022 on our consideration of the West Licking Development Group Community Improvement Corporation'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. The purpose of that report is solely 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 effectiveness of the West Licking Development Group Community Improvement Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the West Licking Development Group Community Improvement Corporation's internal control over financial reporting and compliance.



Julian & Grube, Inc.
November 17, 2022

**WEST LICKING DEVELOPMENT GROUP
COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY**

**STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021**

ASSETS:

Current Assets:

Cash and cash equivalents	<u>\$117,022</u>
---------------------------	------------------

Total current assets	<u>\$117,022</u>
----------------------	------------------

NET ASSETS:

Net Assets:

Without donor restrictions	<u>\$117,022</u>
----------------------------	------------------

Total net assets	<u>\$117,022</u>
------------------	------------------

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

**WEST LICKING DEVELOPMENT GROUP
COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY**

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021**

OPERATING REVENUES:

Sponsorship	<u>\$10,000</u>
Total operating revenues	<u>\$10,000</u>

OPERATING EXPENSES:

Audit & Costs	<u>\$(200)</u>
Total operating expenses	<u>\$(200)</u>
Change in net assets	<u>\$9,800</u>

Net assets at beginning of year	<u>\$107,222</u>
Net assets at end of year	<u><u>\$117,022</u></u>

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

**WEST LICKING DEVELOPMENT GROUP
COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Cash flows from operating activities:

Change in net assets	<u>\$9,800</u>
Net Cash Provided by Operating Activities	<u>\$9,800</u>

Cash and cash equivalents at beginning of year	<u>\$107,222</u>
--	------------------

Cash and cash equivalents at end of year	<u>\$117,022</u>
--	------------------

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

**WEST LICKING DEVELOPMENT GROUP
COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 1 – Summary of Significant Accounting Policies

A. Organization

The West Licking Development Group Community Improvement Corporation (the "Corporation") was incorporated as a corporation not-for-profit in October 2015. The Corporation was created to assist and improve the Western part of Licking County, primarily in the Etna Township and Pataskala area.

B. Basis of Accounting

The accounts are maintained and these financial statements are presented on the accrual basis and in conformity with accounting principles generally accepted in the United States.

C. Basis of Presentation

The financial statements are presented in accordance with FASB ASC 958, Financial Statements for Not-for-Profit Organizations. Under this standard, the Corporation is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. In addition, the Corporation is required to present a statement of cash flows when a statement of financial position and a statement of activities are reported upon.

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Corporation's management and the Board of Directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by the actions of the Corporation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. As of December 31, 2021, the Corporation did not have any net assets with donor restrictions.

**WEST LICKING DEVELOPMENT GROUP
COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

D. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows and for presentation of Financial Position, all cash in checking accounts are considered to be cash and cash equivalents.

E. Concentration of Credit Risk

The Corporation maintains its cash account in one commercial bank in Ohio. The cash balance is fully insured within the limits guaranteed by the Federal Deposit Insurance Corporation.

F. Use of Estimates

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

G. Tax Exempt Status

The Corporation is exempt from federal income tax under Section 501 (C) (4) of the IRS Code.

H. Functional Expenses

The Corporation's expenses are all considered to be for the same function, which is to promote the development of Licking County, Ohio. Since there is only one function, there are no expenses that require allocation between functions.

NOTE 2 – Restriction of Net Assets

The Corporation did not have any restrictions on net assets as of December 31, 2021.

NOTE 3 – Contingent Liabilities

Management believes there are no pending claims or lawsuits.

**WEST LICKING DEVELOPMENT GROUP
COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 4 – Risk Management

The Corporation is subjected to certain types of risk in the performance of its normal functions. The Board views this exposure as minimal as the Corporation currently has no employees and minimal operating activity. No policy for commercial insurance is currently in place.

NOTE 5 – Going Concern

On October 13, 2017, the Secretary of State of Ohio cancelled the Corporation’s articles of incorporation and considered their status with the state as inactive. As of the date of this report, there has been no ruling or change of status noted from the Secretary of State.

Management’s plan is to dissolve the Corporation.

NOTE 6 – Availability and Liquidity

The following represents the Corporation’s financial assets at December 31, 2021:

Financial assets at December 31, 2021:

Cash and Cash Equivalents	<u>\$ 117,022</u>
---------------------------	-------------------

Total financial assets available to meet general expenses over the next twelve months	<u>\$ 117,022</u>
---	-------------------

None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position date. The Corporation’s goal is generally to maintain financial assets to meet three months (90 days) of operating expenses; however, operating expenses in 2021 were minimal.

The Corporation’s financial assets are structured to be available as general expenses, liabilities and other obligations come due.

**WEST LICKING DEVELOPMENT GROUP
COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 7 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Corporation. In addition, the impact on the Corporation's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

NOTE 8 – Compliance

The Corporation was in noncompliance with Ohio Revised Code Sections 1702.57 and 1724.06.

**WEST LICKING DEVELOPMENT GROUP
COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY**

**STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020**

ASSETS:

Current Assets:	
Cash and cash equivalents	<u>\$107,222</u>
Total current assets	<u>\$107,222</u>

NET ASSETS:

Net Assets:	
Without donor restrictions	<u>\$107,222</u>
Total net assets	<u>\$107,222</u>

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS.

**WEST LICKING DEVELOPMENT GROUP
COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY**

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020**

OPERATING EXPENSES:

Contract services	<u>\$911</u>
Total operating expenses	<u>\$911</u>
Change in net assets	<u>\$(911)</u>
Net assets at beginning of year	<u>\$108,133</u>
Net assets at end of year	<u>\$107,222</u>

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS.

**WEST LICKING DEVELOPMENT GROUP
COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY**

**STATEMENT OF CASH FLOWS
DECEMBER 31, 2020**

Cash flows from operating activities:	
Change in net assets	\$ (911)
Net Cash used by Operating Activities	\$ (911)
Cash and cash equivalents at beginning of year	<u>\$ 108,133</u>
Cash and cash equivalents at end of year	<u>\$ 107,222</u>

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS.

**WEST LICKING DEVELOPMENT GROUP
COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 1 – Summary of significant Accounting Policies

A. Organization

The West Licking Development Group Community Improvement Corporation (the “Corporation”) was incorporated as a corporation not-for-profit in October 2015. The Corporation was created to assist and improve the Western part of Licking County, primarily in the Etna Township and Pataskala area.

B. Basis of Accounting

The accounts are maintained and these financial statements are presented on the accrual basis and in conformity with accounting principles generally accepted in the United States.

C. Basis of Presentation

The financial statements are presented in accordance with FASB ASC 958, Financial Statements for Not-for-Profit Organizations. Under this standard, the Corporation is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. In addition, the Corporation is required to present a statement of cash flows when a statement of financial position and a statement of activities are reported upon.

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Corporation's management and the Board of Directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by the actions of the Corporation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. As of December 31, 2020, the Corporation did not have any net assets with donor restrictions. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

D. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows and for presentation of Financial Position, all cash in checking accounts are considered to be cash and cash equivalents.

E. Concentration of Credit Risk

The Corporation maintains its cash account in one commercial bank in Ohio. The cash balance is fully insured within the limits guaranteed by the Federal Deposit Insurance Corporation.

**WEST LICKING DEVELOPMENT GROUP
COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

F. Use of Estimates

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

G. Tax Exempt Status

The Corporation is exempt from federal income tax under Section 501 (C) (4) of the IRS Code.

H. Functional Expenses

The Corporation's expenses are all considered to be for the same function, which is to promote the development of Licking County, Ohio. Since there is only one function, there are no expenses that require allocation between functions.

I. New Accounting Pronouncement

During 2020, the Corporation implemented Financial Accounting Standards Board (FASB) ASU 2018-13, Fair Value Measurement (Topic 820) - "Disclosure Framework-Changes to the Disclosure Requirements for Fair Value Measurement." The update improves the effectiveness of the fair value measurements disclosure by removing, modifying, and adding certain disclosures. The implementation did not have an effect on the financial statements of the Corporation.

NOTE 2 – Restriction of Net Assets

The Corporation did not have any restrictions on net assets as of December 31, 2020.

NOTE 3 – Contingent Liabilities

Management believes there are no pending claims or lawsuits.

NOTE 4 – Risk Management

The Corporation is subjected to certain types of risk in the performance of its normal functions. The Board views this exposure as minimal as the Corporation currently has no employees and minimal operating activity. No policy for commercial insurance is currently in place.

NOTE 5 – Going Concern

On October 13, 2017, the Secretary of State of Ohio cancelled the Corporation's articles of incorporation and considered their status with the state as inactive. As of the date of this report, there has been no ruling or change of status noted from the Secretary of State.

Management's plan is to dissolve the Corporation.

**WEST LICKING DEVELOPMENT GROUP
COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 6 – Availability and Liquidity

The following represents the Corporation’s financial assets at December 31, 2020:

Financial assets at December 31, 2020:

Cash and Cash Equivalents	<u>\$ 107,222</u>
---------------------------	-------------------

Total financial assets available to meet general expenses over the next twelve months	<u><u>\$ 107,222</u></u>
---	--------------------------

None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position date. The Corporation’s goal is generally to maintain financial assets to meet three months (90 days) of operating expenses.

The Corporation’s financial assets are structured to be available as general expenses, liabilities and other obligations come due.

NOTE 7 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Corporation. In addition, the impact on the Corporation’s future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

NOTE 8 – Compliance

The Corporation was in noncompliance with Ohio Revised Code Sections 1702.57 and 1724.06.

**Independent Auditor’s 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***

West Licking Development Group Community Improvement Corporation
Licking County
P.O. Box 188
Etna, Ohio 43018

To the Board of Directors:

We have audited, in accordance with the 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, the financial statements of the West Licking Development Group Community Improvement Corporation, Licking County, Ohio, (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021 and 2020, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated November 17, 2022, wherein we noted as described in Note 5 to the financial statements, the West Licking Development Group Community Improvement Corporation has a going concern. Furthermore, as discussed in Note 7 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the West Licking Development Group Community Improvement Corporation’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the West Licking Development Group Community Improvement Corporation’s internal control. Accordingly, we do not express an opinion on the effectiveness of the West Licking Development Group Community Improvement Corporation’s internal control.

A deficiency in internal control 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 and correct, misstatements, on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the West Licking Development Group Community Improvement Corporation’s financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the West Licking Development Group Community Improvement Corporation's financial statements are free from 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 financial statements. 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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item 2021-001.

West Licking Development Group Community Improvement Corporation's Response to the Finding

Government Auditing Standards requires the auditor to perform limited procedures on the West Licking Development Group Community Improvement Corporation's response to the finding identified in our audit and described in the accompanying schedule of findings and responses. The West Licking Development Group Community Improvement Corporation's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the West Licking Development Group Community Improvement Corporation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the West Licking Development Group Community Improvement Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Julian & Grube, Inc.
November 17, 2022

**WEST LICKING DEVELOPMENT GROUP COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES
DECEMBER 31, 2021 AND 2020**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS	
Finding Number	2021-001

Noncompliance – Ohio Revised Code Section 1702.57 and 1724.06:

Ohio Rev. Code § 1702.57 in part states, “No person shall exercise or attempt to exercise any rights, privileges, immunities, powers, franchises, or authority under the articles of a domestic corporation after such articles have been canceled or after such corporation has been dissolved or after the period of existence of the corporation specified in its articles has expired.” Furthermore, Ohio Rev. Code § 1724.06 in part states that if any community improvement corporation fails to prepare an annual financial report as required by section 1724.05 of the Revised Code and to file that report with the Auditor of State within ninety days of the time prescribed for that filing by that section, the Auditor of State shall certify that fact to the secretary of state. The secretary of state then shall cancel the articles of the community improvement corporation involved by filing and recording the certificate of the Auditor of State or a true copy of it.

According to the Ohio Secretary of State’s website, the Corporation’s articles of incorporation were cancelled effective October 13, 2017, for failure to file required annual financial reports in a timely manner with the Auditor of State. The Corporation has continued to operate without legal authority since the date of cancellation.

Without legal authority to operate, the Corporation is at risk of litigation taken against the Corporation. The Corporation is also unable to carry out its mission to assist and improve the western part of Licking County.

If the Corporation intends to continue operating, the Corporation should contact the Secretary of State to have its articles of incorporation reinstated. If the Corporation intends to dissolve, the Corporation should take appropriate action with the Secretary of State and notify the Auditor of State.

Client Response: The fiscal officer is seeking legal counsel to close the Corporation appropriately so the Corporation won't incur further fines.

**WEST LICKING DEVELOPEMNT GROUP COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY, OHIO**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2021 AND 2020**

Finding Number	Year Initially Occurred	Finding Summary	Status	Additional Information
2019-001	2019	<p><u>Significant Deficiency - Financial Statement Presentation</u> - A monitoring system by the Treasurer and Board of Directors should be in place to prevent or detect material misstatements for the accurate presentation to the Corporation's financial statements. Various formatting adjustments were made to the Statement of Financial Position, Statement of Activities, and the Statement of Cash Flows to properly reflect the Corporation's activities. Additionally, significant adjustments were made to the 2018 and 2019 notes to the financial statements to properly reflect the Corporation's disclosures in accordance with FASB ASU 2016-14.</p>	Partially Corrected	Reissued as a Management Letter Comment.

OHIO AUDITOR OF STATE KEITH FABER



WEST LICKING DEVELOPMENT GROUP COMMUNITY IMPROVEMENT CORPORATION

LICKING COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 12/27/2022

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov