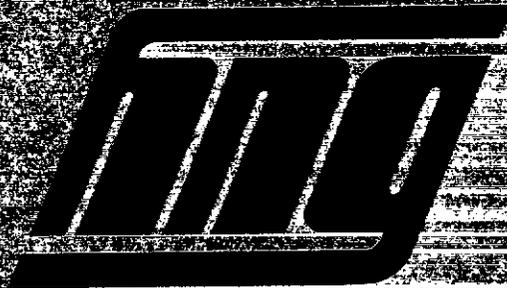


GROVE CITY AREA VISITORS
AND CONVENTION BUREAU

FINANCIAL STATEMENTS

* * * * *

DECEMBER 31, 1999 AND 1998



Hirth Norris & Garrison, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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GROVE CITY AREA VISITORS
AND CONVENTION BUREAU

FINANCIAL STATEMENTS

* * * * *

DECEMBER 31, 1999 AND 1998

CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	3
STATEMENTS OF ASSETS, LIABILITIES AND NET ASSETS - MODIFIED CASH BASIS	4
STATEMENTS OF SUPPORT, REVENUE AND EXPENSES - MODIFIED CASH BASIS	5
NOTES TO FINANCIAL STATEMENTS	6-7
REPORT ON COMPLIANCE AND ON INTERNAL CONTROL	8



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Board of Directors
Grove City Area Visitors and Convention Bureau

We have reviewed the independent auditor's report of the Grove City Area Visitors and Convention Bureau, Franklin County, prepared by Hirth Norris & Garrison, LLP, Certified Public Accountants, for the audit period January 1, 1998 through December 31, 1999. 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 Grove City Area Visitors and Convention Bureau is responsible for compliance with these laws and regulations.



JIM PETRO
Auditor of State

April 12, 2000



Partners
JAMES E. NORRIS, CPA
JODI L. GARRISON, CPA
TIMOTHY R. HARRIS, CPA

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Grove City Area Visitors and Convention Bureau

We have audited the accompanying statements of assets, liabilities and net assets - modified cash basis of Grove City Area Visitors and Convention Bureau (a nonprofit organization) as of December 31, 1999 and 1998 and the related statements of support, revenue and expenses - modified 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 generally accepted auditing standards and the standards for 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 audits 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 modified 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 assets, liabilities and net assets of the Grove City Area Visitors and Convention Bureau as of December 31, 1999 and 1998 and its support, revenue and expenses 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 February 14, 2000 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 grants.

Grove City, Ohio
February 14, 2000



GROVE CITY AREA VISITORS AND CONVENTION BUREAU
 STATEMENTS OF ASSETS, LIABILITIES AND NET ASSETS - MODIFIED CASH BASIS
 AS OF DECEMBER 31, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash - checking	\$ <u>19,059</u>	\$ <u>34,252</u>
Total Current Assets	19,059	34,252
PROPERTY ASSETS		
Equipment	10,325	3,263
Leasehold improvements	<u>3,045</u>	<u>2,198</u>
	13,370	5,461
Less: Accumulated Depreciation and Amortization	<u>(4,774)</u>	<u>(3,499)</u>
Total Net Property Assets	8,596	1,962
OTHER ASSETS		
Deposits	<u>650</u>	<u>305</u>
Total Assets	<u>\$ 28,305</u>	<u>\$ 36,519</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
City Tax Withholding	\$ <u>0</u>	\$ <u>178</u>
Total Current Liabilities	0	178
NET ASSETS		
Unrestricted Net Assets	<u>28,305</u>	<u>36,341</u>
Total Net Assets	<u>28,305</u>	<u>36,341</u>
Total Liabilities and Net Assets	<u>\$ 28,305</u>	<u>\$ 36,519</u>

The accountant's report and accompanying notes
 are an integral part of these financial statements.

GROVE CITY AREA VISITORS AND CONVENTION BUREAU
 STATEMENTS OF SUPPORT, REVENUE AND EXPENSES - MODIFIED CASH BASIS
 FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
UNRESTRICTED NET ASSETS		
REVENUES COLLECTED		
Income - Bed Tax	\$ 137,500	\$ 142,974
Income - Miscellaneous	87	252
Income - Interest	<u>321</u>	<u>282</u>
Total Revenues	137,908	143,508
EXPENSES PAID		
Monetary Grants	20,028	26,217
Advertising and Promotion	52,321	37,277
Professional Fees	3,407	3,078
Travel and Meeting Expense	1,776	1,961
Bank Service Charges	186	273
Office Expenses	13,186	6,065
Wages	34,944	34,780
Payroll Taxes	3,012	2,662
Payroll Service Fees	841	288
Rent	6,182	3,435
Insurance	386	0
Depreciation	3,474	1,020
Cleaning and Maintenance	499	300
Contract Services	1,950	0
Dues and Subscriptions	3,396	250
Donations	<u>356</u>	<u>0</u>
Total Expenses Paid	<u>145,944</u>	<u>117,606</u>
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	(8,036)	25,902
NET ASSETS - BEGINNING OF PERIOD	<u>36,341</u>	<u>10,439</u>
NET ASSETS - END OF PERIOD	<u>\$ 28,305</u>	<u>\$ 36,341</u>

The accountant's report and accompanying notes
 are an integral part of these financial statements.

GROVE CITY AREA VISITORS AND CONVENTION BUREAU
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1999 AND 1998

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

The Grove City Area Visitors and Convention Bureau is a non-profit organization incorporated April 7, 1989, the purpose of which is to represent and support the business community of Grove City, Ohio. The Bureau serves its purpose primarily through the promotion of overnight stays at the lodging establishments within the city and by promotion of mass audiences to visit and eat in Grove City. The Bureau is managed by a Board of Directors representing the business community.

Support and Revenue

Revenues are received from the City of Grove City which collects the bed tax within the city. Twenty-five percent of the tax collected is subsequently remitted to the Bureau, and is reported as revenue when received. The Bureau then makes disbursements in support of its mission by way of grants to various organizations and events in the community as voted and approved by the Board of Directors.

Estimates

The preparation of financial statements in conformity with the an other comprehensive basis of accounting, the modified cash basis, requires the use of management's estimates.

Accounting Method

The financial statements have been prepared using an other comprehensive basis of accounting; the modified cash basis. The modified cash basis of accounting requires that revenues are recognized when received rather than when earned and expenses are recognized when paid rather than when incurred. Exceptions are made for certain items such as depreciation and payroll taxes.

Property Assets

Property assets are stated at cost. Depreciation is calculated using accelerated rates applied over the estimated useful lives of the assets as indicated below.

	<u>Years</u>
Leasehold Improvements	7-15
Equipment	5-7

NOTE B - COMMITMENTS

The Bureau has entered into a lease for office space which will expire June 30, 2002. Monthly lease payments are \$650. Lease expense in the current year amounted to \$6,182.

Future required minimum lease payments over the next five years are as follows:

<u>Year Ended December 31,</u>	<u>Amount</u>
2000	\$ 7,800
2001	7,800
2002	3,900
2003	0
2004	0
	\$ 19,500

GROVE CITY AREA VISITORS AND CONVENTION BUREAU
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998

NOTE C - INCOME TAXES

The Bureau is exempt from federal income taxes under Code Section 501 (c)(6) of the Internal Revenue Code.

NOTE D - YEAR 2000 ISSUE

The Year 2000 Issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the Bureau's operations.

Grove City Area Visitors and Convention Bureau identified its computer system and other electronic equipment that may be affected by the Year 2000 Issue and that are necessary to conducting the Bureau's operations. The system and equipment were remediated, validated and tested, as needed, prior to December 31, 1999.

To the best of management's knowledge and belief, as of February 14, 2000, the Bureau experienced no significant interruption of mission-critical operations or services related to the Year 2000 Issue. However, because of the unprecedented nature of the Year 2000 Issue, matters may yet arise, and parties with whom the Grove City Visitors and Convention Bureau does business may also experience Year 2000 readiness issues that are as yet, unknown.

CERTIFIED PUBLIC ACCOUNTANTS

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY
GOVERNMENT AUDITING STANDARDS

Board of Directors
Grove City Area Visitors and Convention Bureau

We have audited the accompanying statements of assets, liabilities and net assets - modified cash basis of Grove City Area Visitors and Convention Bureau (a nonprofit organization) as of December 31, 1999 and 1998 and the related statements of support, revenue and expenses - modified cash basis for the years then ended, and have issued our report thereon dated February 14, 2000. We conducted our audits in accordance with generally accepted auditing standards 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 the Grove City Area Visitors and Convention Bureau's financial statements are free of material misstatement, we 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 our audits and, accordingly, we do not express such an opinion. The results of our 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 our audits, we considered the Grove City Area Visitors and Convention Bureau's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our 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 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Grove City Area Visitors and Convention Bureau in a separate letter dated February 14, 2000.

This report is intended for the information of the audit committee, management and the Auditor of the State of Ohio. However, this report is a matter of public report and its distribution is not limited.

Hirth Norris & Garrison LLP

February 14, 2000



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GROVE CITY AREA VISITORS AND CONVENTION 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.

By: *Susan Babbitt*

Date: MAY 02 2000