

**COMMUNITY IMPROVEMENT  
CORPORATION  
OF WASHINGTON**

**FINANCIAL STATEMENTS**

*Years Ended December 31, 2003 and 2002*





**Auditor of State  
Betty Montgomery**

Community Improvement Corporation of Washington  
105 N. Main St.  
Washington Court House, OH 43160

We have reviewed the Independent Auditor's Report of the Community Improvement Corporation of Washington, Fayette County, prepared by Vanessa L. Blevins, CPA, for the audit period January 1, 2002 through December 31, 2003. 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 Community Improvement Corporation of Washington is responsible for compliance with these laws and regulations.

*Betty Montgomery*

BETTY MONTGOMERY  
Auditor of State

October 29, 2004

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COMMUNITY IMPROVEMENT CORPORATION OF WASHINGTON

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VANESSA L. BLEVINS  
CERTIFIED PUBLIC ACCOUNTANT

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**REPORT OF INDEPENDENT AUDITORS**

Community Improvement Corporation of Washington  
105 North Main Street  
Washington Court House, Ohio 43160

To the Board of Trustees:

We have audited the accompanying statement of financial position of the Community Improvement Corporation of Washington (a nonprofit organization) as of December 31, 2003 and 2002, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of management. My responsibility is to express an opinion on these financial statements based on my audit.

We conducted our audit in accordance with auditing standards generally accepted and originating 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 includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Improvement Corporation of Washington as of December 31, 2003 and 2002 and the changes in its net assets and cash flows for the years 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 August 31, 2004, on our consideration of the Organization's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. 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 audit.

This report is intended solely for the information and use of the audit committee, management, the Board and other officials authorized to receive this report under Section 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

Vanessa L. Blevins, CPA

August 31, 2004

**COMMUNITY IMPROVEMENT CORPORATION OF WASHINGTON**  
**STATEMENT OF FINANCIAL POSITION**  
**AS OF DECEMBER 31, 2003 AND 2002**

	<b>2003</b>	<b>2002</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 12,876.34	\$ 5,222.63
Certificates of deposit	204,417.80	200,070.80
<b>TOTAL CURRENT ASSETS</b>	<b>217,294.14</b>	<b>205,293.43</b>
<b>OTHER ASSETS</b>	-	-
<b>TOTAL ASSETS</b>	<b>\$ 217,294.14</b>	<b>\$ 205,293.43</b>
 <b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 20.25	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>20.25</b>	<b>-</b>
<b>LONG-TERM LIABILITIES</b>	-	-
<b>TOTAL LIABILITIES</b>	<b>20.25</b>	<b>-</b>
 <b>NET ASSETS</b>		
Unrestricted	217,273.89	205,293.43
Temporarily restricted	-	-
Permanently restricted	-	-
<b>TOTAL NET ASSETS</b>	<b>217,273.89</b>	<b>205,293.43</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 217,294.14</b>	<b>\$ 205,293.43</b>

See accompanying notes and accountant's report.

**COMMUNITY IMPROVEMENT CORPORATION OF WASHINGTON**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002**

	<b>2003</b>	<b>2002</b>
<b>UNRESTRICTED NET ASSETS</b>		
<b>SUPPORT</b>		
Public support	\$ 6,000.00	\$ 6,000.00
Memberships	160.00	180.00
Interest income	4,360.91	7,240.64
Gain / (Loss) on sale of land	(2,808.10)	(7,123.76)
Reimbursements - various	7,171.08	8,561.86
<b>TOTAL UNRESTRICTED SUPPORT</b>	<b>14,883.89</b>	<b>14,858.74</b>
 <b>EXPENSES</b>		
Taxes	143.76	781.41
Dues	1034.00	1,284.15
Advertising/printing	935.00	4,000.00
Conclerge Services, Inc. - Germany Trip	-	5,350.00
Promotion	600.32	3,356.62
Feasibility study expense	-	1,700.00
Plan expense	170.10	50.00
Travel	20.25	-
Accounting	-	1,936.84
Utilities	-	3,259.39
Rent	-	4,375.00
CIC office carpet & materials	-	9,503.43
	<b>2,903.43</b>	<b>35,596.84</b>
<b>INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS</b>	<b>11,980.46</b>	<b>(20,738.10)</b>
 <b>INCREASE IN NET ASSETS</b>	 <b>11,980.46</b>	 <b>(20,738.10)</b>
<b>NET ASSETS, beginning of year</b>	<b>205,293.43</b>	<b>226,031.53</b>
 <b>NET ASSETS, end of year</b>	<b>\$ 217,273.89</b>	<b>\$ 205,293.43</b>

See accompanying notes and accountant's report.

**COMMUNITY IMPROVEMENT CORPORATION OF WASHINGTON**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002**

	<b>2003</b>	<b>2002</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Changes in net assets (deficit)	\$ 11,980.46	\$ (20,738.10)
Adjustments to reconcile changes in net assets (deficit) to cash provided by operating activities:		
Certificates of deposit interest income	(4,347.00)	(7,152.58)
Changes in operating assets and liabilities:		
Decrease in prepaid rent	-	4,375.00
Increase in accounts receivable	-	(357.00)
Increase in accounts payable	20.25	275.78
	7,653.71	(23,596.90)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
<b>CASH FLOWS USED BY INVESTING ACTIVITIES</b>		
Purchases of certificates of deposit	-	25,075.04
Proceeds from certificate of deposit	-	-
	-	25,075.04
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		
NET INCREASE (DECREASE) IN CASH	7,653.71	1,478.14
CASH AT BEGINNING OF YEAR	5,222.63	3,744.49
CASH AT END OF YEAR	\$ 12,876.34	\$ 5,222.63

See accompanying notes and accountant's report.

**COMMUNITY IMPROVEMENT CORPORATION OF WASHINGTON**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2003 AND 2002

NOTE A-- NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF ACTIVITIES

The Community Improvement Corporation of Washington (CIC) was organized on March 3, 1964, and is authorized under Chapter 1724 of the Ohio Revised Code. The CIC is a not-for-profit corporation that exists to advance, encourage, and promote industrial, economic, commercial and civic development of a community or area.

Per Ohio Rev. Code, Section 1724.10, the City of Washington has designated the CIC as the agent of City of Washington for the "industrial, commercial, distribution and research development in such political subdivision."

BASIS OF ACCOUNTING

The preparation of financial statements in conformity with generally accepted accounting standards and originating in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure or contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

BASIS OF PRESENTATION

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily net assets, and permanently restricted net assets. The CIC has no permanently restricted net assets. In addition, the Organization is required to present a statement of cash flows.

INCOME TAXES

The CIC is exempt from federal and state income taxes under Internal Revenue Code Section 501 ( c ) ( 6 ) and Ohio Revised Code Section 1724.01.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include all monies in banks and highly liquid investments with maturity dates of less than three months. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial statements.

NOTE B—CASH

The total cash held by the CIC at December 31, 2003 and 2002 includes \$ 46,363.98 and \$ 35,731.62 in monies that are not covered by insurance provided by the federal government. It is the opinion of management that the solvency of the referenced financial institutions is not of particular concern at this time.

NOTE C---SALE OF LAND

On May 22, 2002, property was purchased for \$ 58,569.00. On July 26, 2002, the property was sold for \$ 51,445.24 resulting in a loss in the amount of \$ 7,123.76. This amount was subsequently reimbursed by the City of Washington to the CIC in year 2003.

On November 24, 2003, property totaling 10.004 acres was purchased for \$ 209,389.84. On November 24, 2003, the property totaling 9.912 acres was sold for \$ 212,197.94 resulting in a loss in the amount of \$ 2,808.10. The remaining .092 acres was transferred from CIC to Weyerhaeuser in the Industrial Park.

**Vanessa L Blevins, CPA**

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**GOVERNMENT AUDITING STANDARDS**

Community Improvement Corporation of Washington  
105 North Main Street  
Washington Court House, Ohio 43160

To the Board of Trustees:

We have audited the accompanying financial statements of the Community Improvement Corporation of Washington (CIC), as of and for the years ended December 31, 2003 and 2002, and have issued our report thereon dated August 31, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States 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 CIC's financial statements are free of material misstatement, we performed tests of it's 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 is required to be reported under Government Auditing Standards. This has been noted on the Management Letter to Community Improvement Corporation.

**INTERNAL CONTROL OVER FINANCIAL REPORTING**

In planning and performing our audit, we considered the Community Improvement Corporation'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 Community Improvement Corporation in a separate letter dated August 31, 2004.

This report is intended solely for the information and use of the audit committee, management, the Board of Trustees and other officials authorized to receive this report and are not intended and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Sincerely,

Vanessa L. Blevins, CPA

August 31, 2004



**Auditor of State  
Betty Montgomery**

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**COMMUNITY IMPROVEMENT CORPORATION OF WASHINGTON  
FAYETTE 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  
NOVEMBER 16, 2004**