

REYNOLDSBURG VISITORS AND COMMUNITY ACTIVITIES BUREAU
FINANCIAL STATEMENTS
December 31, 1999



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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To the Board of Directors
Reynoldsburg Visitors & Community Activities Bureau

We have reviewed the independent auditor's report of the Reynoldsburg Visitors & Community Activities Bureau, Franklin County, prepared by Wolfe, Wilson, & Phillips, Inc., Certified Public Accountants, for the audit period January 1, 1999 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 Reynoldsburg Visitors & Community Activities Bureau is responsible for compliance with these laws and regulations.

A handwritten signature in black ink, appearing to read "Jim Petro".

JIM PETRO
Auditor of State

July 11, 2000

WOLFE, WILSON, & PHILLIPS, INC.
CERTIFIED PUBLIC ACCOUNTANTS
37 S. SEVENTH STREET • ZANESVILLE, OHIO 43701
(740) 453-9600 • FAX - (740) 453-9763

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Reynoldsburg Visitors and Community Activities Bureau

We have audited the accompanying statement of financial position of Reynoldsburg Visitors and Community Activities Bureau (a not-for-profit organization) as of December 31, 1999, 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 generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform an 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 representation. We believe that our audit provides the reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Reynoldsburg Visitors and Community Activities Bureau, as of December 31, 1999, and the changes in its net assets and its cash flows for the year then ended, in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2000, on our consideration of Reynoldsburg Visitors and Community Activities Bureau's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Wolfe, Wilson, & Phillips, Inc.

Zanesville, Ohio
June 26, 2000

Brad Wolfe, J.D., M.B.A., CPA
Joseph W. Wilson, M.B.A., CPA, CMA
Kenneth B. Phillips, CPA

REYNOLDSBURG VISITORS AND COMMUNITY ACTIVITIES BUREAU
STATEMENT OF FINANCIAL POSITION
December 31, 1999

ASSETS

CURRENT ASSETS

Cash	\$ 21,497.38
Receivables	4,132.44
Prepaid expenses	<u>200.00</u>
TOTAL CURRENT ASSETS	<u>25,829.82</u>

FURNITURE AND EQUIPMENT, net

TOTAL ASSETS \$ 25,829.82

LIABILITIES AND NET ASSETS

CURRENT ASSETS

Accrued payroll taxes and withholdings \$ 1,178.37

NET ASSETS - UNRESTRICTED

TOTAL LIABILITIES
AND NET ASSETS \$ 25,829.82

See notes to financial statements.

REYNOLDSBURG VISITORS AND COMMUNITY ACTIVITIES BUREAU
STATEMENT OF ACTIVITIES
Year Ended December 31, 1999

REVENUE AND SUPPORT	
Bed tax	\$ 33,500.01
Donations	573.00
Fitness challenge	12,579.33
Interest income	316.21
Miscellaneous	305.00
	<u>47,273.55</u>
Expenses	
Advertising	3,879.51
Bank service charges	77.95
Community activities	9,056.78
Continuing education	80.00
Co-op fee	1,200.00
Dues and subscriptions	2,265.00
Heartland fees	689.24
Insurance	500.00
Meals and entertainment	333.67
Miscellaneous	38.43
Office and postage	1,511.86
Professional fees	558.00
Rent	3,420.00
Salaries & wages	32,000.00
Taxes	2,869.07
Telephone	2,478.31
Travel	197.70
Utilities	684.41
	<u>61,839.93</u>
DECREASE IN NET ASSETS	(14,566.38)
NET ASSETS AT BEGINNING OF YEAR	<u>39,217.83</u>
NET ASSETS AT END OF YEAR	<u>\$ 24,651.45</u>

See notes to financial statements.

REYNOLDSBURG VISITORS AND COMMUNITY ACTIVITIES BUREAU
STATEMENT OF CASH FLOWS
Year Ended December 31, 1999

CASH FLOWS FROM OPERATING ACTIVITIES	
Decrease in net assets	\$(14,566.38)
Adjustments to reconcile decrease in net assets to net cash provided by operating activities	
(Increase) decrease in	
Receivables	(391.43)
Increase (decrease) in	
Accrued payroll taxes and withholdings	<u>20.71</u>
	NET CASH USED IN
	OPERATING ACTIVITIES (14,937.10)
CASH AT BEGINNING OF YEAR	<u>36,434.48</u>
	CASH AT END OF YEAR <u>\$ 21,497.38</u>

See notes to financial statements.

REYNOLDSBURG VISITORS AND COMMUNITY ACTIVITIES BUREAU
NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Reynoldsburg Visitors and Community Activities Bureau ("the Bureau"), a not-for-profit organization, was incorporated in 1989 to promote the economic development of the City of Reynoldsburg, Ohio on a local, state, and national level. Actively promoting the historical, cultural, recreational, and natural value and quality of the City; promoting travel, tourism, and convention activities; and creating a community calendar of events achieve this purpose. The Bureau also assists in organizing and sponsoring community events in and around Reynoldsburg. The bureau receives a majority of its revenue from the City of Reynoldsburg.

Method of Accounting

The financial statements of the Bureau have been prepared utilizing the accrual method of accounting.

Estimates

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

Accounts Receivable

This asset represents the amount of bed taxes collected by the City of Reynoldsburg and payable to the Bureau as of the end of the year that have not yet been received by the Bureau.

Furniture and Equipment

These assets are recorded at cost. The Bureau follows the practice of capitalizing all expenditures for these assets with a cost of at least \$500 and a useful life of one year or greater. Depreciation is calculated by the straight-line method based on estimated useful lives of 5-7 years. Repair and maintenance costs are charged to expense as incurred.

Donated Services and Supplies

No amounts have been recorded for donated services and supplies relating to the Fitness Challenge and other programs, since no objective basis is available to measure the value of such services and supplies.

Income Taxes

The Bureau is exempt from federal income taxes under Section 501(c)(6) of the Internal Revenue Code, and therefore has made no provisions for federal income taxes in the financial statements. In addition, the Bureau has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code.

REYNOLDSBURG VISITORS AND COMMUNITY ACTIVITIES BUREAU
NOTES TO FINANCIAL STATEMENTS

2. FURNITURE AND EQUIPMENT

These assets are recorded at cost and shown net of accumulated depreciation of \$800 at December 31, 1999.

3. LEASE

The Bureau leases office space under an operating lease. Under this lease, the Bureau pays rent on a year-to-year basis. Total rent expense was \$3,420 for the year ended December 31, 1999.

4. CITY OF REYNOLDSBURG

The Bureau's 1997 contract with the City of Reynoldsburg provides for general operations support from the revenues of the City's hotel/motel tax.

5. PROGRAMS

The Bureau organizes, participates in, and/or sponsors many local events including: the community prayer breakfast, Fourth of July and Founders Day celebration, Ohio State Fair, Mount Carmel Health Fitness Challenge, Tomato Festival, Community Tree Lighting, and Christmas on the Town.

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Reynoldsburg Visitors and Community Activities Bureau

We have audited the financial statements of Reynoldsburg Visitors and Community Activities Bureau, a not-for-profit organization, as of and for the year ended December 31, 1999, and have issued our report thereon dated June 26, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standard 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 Reynoldsburg Visitors and Community Activities Bureau's financial statement are free of material misstatement, we performed tests of its compliance with certain provisions laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amount amounts. 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 no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Reynoldsburg Visitors and Community Activities Bureau's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing an 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 material 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 operations that we consider to be material weaknesses.

This report is intended for the information of the board of directors, management, and the Auditor of State, and is not intended to be and should not be used by anyone other than these specified parties.

Wolfe, Wilson, & Phillips, Inc.
Zanesville, Ohio
June 26, 2000

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REYNOLDSBURG VISITORS & COMMUNITY ACTIVITIES 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: AUG 17 2000