

**MONTGOMERY COUNTY COMMUNITY
IMPROVEMENT CORPORATION
AUDITED FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2004**



**Auditor of State
Betty Montgomery**

Board of Trustees
Montgomery County Community Improvement Corporation
8 North Main Street
Dayton, Ohio 45402

We have reviewed the *Independent Auditors' Report* of the Montgomery County Community Improvement Corporation, Montgomery County, prepared by Manning & Associates, CPAs, LLC for the audit period January 1, 2004 through December 31, 2005. 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 Montgomery County Community Improvement Corporation is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY
Auditor of State

October 9, 2006

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**MONTGOMERY COUNTY COMMUNITY
IMPROVEMENT CORPORATION**

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**MANNING & ASSOCIATES CPAS, LLC
6105 NORTH DIXIE DRIVE
DAYTON, OHIO 45414**

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Montgomery County Community Improvement Corporation
Dayton, Ohio

We have audited the accompanying statement of financial position of the Montgomery County Community Improvement Corporation (a nonprofit organization) as of December 31, 2005 and 2004, and the related statements of activities and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the Corporation'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 *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 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 Montgomery County Community Improvement Corporation as of December 31, 2005 and 2004, and the changes in its net assets and its 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 June 23, 2006 on our consideration of Montgomery County Community Improvement Corporation's internal control over financial reporting and on 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.

Manning & Associates CPAs, LLC
Dayton, Ohio

June 23, 2006

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MONTGOMERY COUNTY COMMUNITY
IMPROVEMENT CORPORATION

STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2005 AND 2004

	<u>2005</u>	<u>2004</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ <u>44,490</u>	\$ <u>46,814</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 0	\$ 2,178
NET ASSETS		
Unrestricted	\$ <u>44,490</u>	\$ <u>44,636</u>
Total liabilities and net assets	\$ <u>44,490</u>	\$ <u>46,814</u>

The accompanying notes are an integral part the financial statements.

MONTGOMERY COUNTY COMMUNITY
IMPROVEMENT CORPORATION

STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004

	<u>2005</u>	<u>2004</u>
REVENUES		
Bond Application Fees	\$ 0	\$ 100
Interest Income	<u>133</u>	<u>241</u>
Total Revenues	<u>133</u>	<u>341</u>
EXPENSES		
Bank Charges	\$ 55	\$ 55
Administrative expenses	<u>224</u>	<u>2,813</u>
Total Expenses	<u>\$ 279</u>	<u>\$ 2,868</u>
Increase (Decrease) in Unrestricted Net Assets	\$ (146)	\$ (2,627)
NET ASSETS , beginning of year	<u>44,636</u>	<u>47,263</u>
NET ASSETS , end of year	<u>\$ 44,490</u>	<u>\$ 44,636</u>

The accompanying notes are an integral part the financial statements.

MONTGOMERY COUNTY COMMUNITY
IMPROVEMENT CORPORATION

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004

	<u>2005</u>	<u>2004</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ <u>(146)</u>	\$ <u>(2,627)</u>
Net Cash used in operating activities	\$ <u><u>(146)</u></u>	\$ <u><u>(2,627)</u></u>
CASH, BEGINNING OF YEAR	\$ <u>44,636</u>	\$ <u>47,263</u>
CASH, END OF YEAR	\$ <u><u>44,490</u></u>	\$ <u><u>44,636</u></u>

The accompanying notes are an integral part the financial statements.

MONTGOMERY COUNTY COMMUNITY IMPROVEMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2004

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Montgomery County Community Improvement Corporation is a nonprofit organization established for the purpose of advancing, encouraging, and promoting the industrial, economic, commercial, and civic development of a community or an area.

Method of Accounting

The Corporation prepares financial statements on the accrual method of accounting in conformity with accounting principles generally accepted in the United States of America.

Basis of Presentation

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

Tax Exempt

The Corporation is exempt from federal income tax under Section 501(c) (4) of the Internal Revenue Code; thus no provision has been made for income taxes. Information returns, Form 990, have been filed for all years through December 31, 2004.

Unrestricted Net Assets

Unrestricted net assets represent resources that are available to support the Corporation's operations, and are not subject to donor or grantor imposed stipulations.

**MANNING & ASSOCIATES CPAS, LLC
6105 NORTH DIXIE DRIVE
DAYTON, OHIO 45414**

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

To the Board of Trustees
Montgomery County Community Improvement Corporation
Dayton, Ohio

We have audited the financial statements of Montgomery County Community Improvement Corporation (a nonprofit organization) as of and for the years ended December 31, 2005 and 2004, and have issued our report thereon dated June 23, 2006. 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 Montgomery County Community Improvement Corporation's internal control over financial reporting to determine our auditing procedures to express our opinion on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable 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 caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when 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.

Compliance and Other Matters

As part of reasonably assuring whether Montgomery County Community Improvement Corporation's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts and grants 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 such an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Trustees, management and the State of Ohio and is not intended to be and should not be used by anyone other than these specified parties.

Manning & Associates CPAs, LLC
Dayton, Ohio
June 23, 2006



**Auditor of State
Betty Montgomery**

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MONTGOMERY COUNTY COMMUNITY IMPROVEMENT CORPORATION

MONTGOMERY 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
OCTOBER 19, 2006**