



**NEWCOMERSTOWN COMMUNITY IMPROVEMENT CORPORATION  
TUSCARAWAS COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 2006-2005**



**Mary Taylor, CPA**  
Auditor of State



NEWCOMERSTOWN COMMUNITY IMPROVEMENT CORPORATION  
TUSCARAWAS COUNTY

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# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Newcomerstown Community Improvement Corporation  
Tuscarawas County  
P.O. Box 87  
Newcomerstown, Ohio 43832

To the Board of Directors:

We have audited the accompanying statements of financial position of the Newcomerstown Community Improvement Corporation, Tuscarawas County, Ohio, (the Corporation) as of and for the years ended December 31, 2006 and 2005, and the related statements of activities and cash flows. 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Newcomerstown Community Improvement Corporation, Tuscarawas County, Ohio, as of December 31, 2006 and 2005, 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 December 7, 2007, on our consideration of the Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of our testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

A handwritten signature in cursive script that reads "Mary Taylor".

**Mary Taylor, CPA**  
Auditor of State

December 7, 2007

**NEWCOMERSTOWN COMMUNITY IMPROVEMENT CORPORATION  
TUSCARAWAS COUNTY**

**STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2006 AND 2005**

	<u>ASSETS</u>	
	2006	2005
<b>CURRENT ASSETS:</b>		
Cash:		
Checking - Huntington National Bank	\$ 12,354	\$ 14,558
Money Market - Huntington National Bank	10,191	10,120
Certificate of Deposit - Huntington National Bank	41,061	
Certificate of Deposit - Chase Bank	31,368	30,491
Certificate of Deposit - Dover-Phila FCU		31,434
Total Cash	94,974	86,603
 <b>PROPERTY AND EQUIPMENT:</b>		
Land	2,245,066	2,245,066
<b>TOTAL ASSETS</b>	<b>\$ 2,340,040</b>	<b>\$ 2,331,669</b>

LIABILITIES AND NET ASSETS

<b>LIABILITIES:</b>		
Current		
Accrued Interest	\$ 528,046	\$ 440,144
Long-term Liabilities		
Note Payable - Tuscarawas County	2,200,000	2,200,000
 <b>NET ASSETS:</b>		
Unrestricted Net Assets:		
Operating	(388,006)	(308,475)
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 2,340,040</b>	<b>\$ 2,331,669</b>

The accompanying notes are an integral part of the financial statements.

**NEWCOMERSTOWN COMMUNITY IMPROVEMENT CORPORATION  
TUSCARAWAS COUNTY**

**STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005**

	2006	2005
<b>REVENUE:</b>		
Interest Income	\$ 2,135	\$ 2,243
House Rental Income	6,325	7,475
Farm Rental Income	30,840	19,447
Royalty Income	5,351	6,072
Refunds		142
Total Revenue	44,651	35,379
<b>EXPENSES:</b>		
Audit Fees		1,978
Bank Charges	18	99
Interest	118,742	114,463
Insurance	1,765	1,544
Professional Fees	30	
Meetings		514
Mowing and Maintenance	798	1,988
Postage	111	68
License		25
Real Estate Taxes	2,534	2,941
Repairs	124	299
Land Improvements		25,300
Utilities		516
Website Development	60	245
Total Expenses	124,182	149,980
<b>CHANGE IN NET ASSETS</b>	(79,531)	(114,601)
<b>NET ASSETS - BEGINNING OF YEAR</b>	(308,475)	(193,874)
<b>NET ASSETS - END OF YEAR</b>	\$ (388,006)	\$ (308,475)

The accompanying notes are an integral part of the financial statements.



**NEWCOMERSTOWN COMMUNITY IMPROVEMENT CORPORATION  
TUSCARAWAS COUNTY**

**STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005**

	<u>2006</u>	<u>2005</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	\$ (79,531)	\$ (114,601)
Increase in Accrued Interest	<u>87,902</u>	<u>95,659</u>
Net Cash Provided by (Used In) Operating Activities	<u>8,371</u>	<u>(18,942)</u>
NET INCREASE IN CASH	8,371	(18,942)
CASH - BEGINNING OF YEAR	<u>86,603</u>	<u>105,545</u>
CASH - END OF YEAR	<u>\$ 94,974</u>	<u>\$ 86,603</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash Paid During the Year for Interest	<u>\$ 30,840</u>	<u>\$ 18,804</u>

The accompanying notes are an integral part of the financial statements.

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**NEWCOMERSTOWN COMMUNITY IMPROVEMENT CORPORATION  
TUSCARAWAS COUNTY**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2006 AND 2005**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Nature of Activities

The Newcomerstown Community Improvement Corporation (CIC) was established to promote commercial and industrial development in the village of Newcomerstown, Ohio and surrounding areas.

Basis of Accounting

The CIC maintains its financial records on the accrual basis of accounting.

Financial Statement Presentation

The Organization previously adopted Statement of Financial Accounting Standards (SFAS) No. 117 "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, the Agency 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. In addition, the Organization is required to present a statement of cash flows. The Organization only had unrestricted net assets at December 31, 2006 and 2005.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash Equivalents

The CIC considers all highly liquid deposit instruments purchased with a maturity of three months or less to be cash. Certificates of Deposit owned by the CIC in lengths greater than three months are classified as cash because the amounts are considered to be cash savings accounts. Fair values approximate carrying amounts.

**NOTE 2: INCOME TAXES**

The CIC is a nonprofit organization as described in Section 501 (c) (5) of the Internal Revenue Code and is exempt from federal and state income taxes.

**NOTE 3: NOTE PAYABLE**

The CIC has a note payable to The Board of Tuscarawas County Commissioners in the amount of \$2,200,000. On March 5, 2001, the CIC had issued a note in the amount of \$2,200,000 from the Tuscarawas County Commissioners with a stated interest rate of 4.5% per annum. The original note matured on March 5, 2002; however, the CIC continues to roll over this note each year with a final maturity date of March 5, 2007. The note is secured by certain real estate in Oxford Township, Tuscarawas County, Ohio adjacent to the current Newcomerstown Industrial Park.

**NOTE 4: LAND**

Land is carried at cost and there is no depreciation allowance.

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# Mary Taylor, CPA

Auditor of State

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

Newcomerstown Community Improvement Corporation  
Tuscarawas County  
P.O. Box 87  
Newcomerstown, Ohio 43832

To the Board of Directors:

We have audited the financial statements of Newcomerstown Community Improvement Corporation, Tuscarawas County, Ohio, (the Corporation) as of and for the years ended December 31, 2006 and 2005 and have issued our report thereon dated December 7, 2007. 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 Corporation's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinion on the financial statements, but not to opine on the effectiveness of the Corporation's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Corporation's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Corporation's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the Corporation's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Corporation's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

We noted certain matters that we reported to the Corporation's management in a separate letter dated December 7, 2007.

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### **Compliance and Other Matters**

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

We did note a certain noncompliance or other matter that we reported to the Corporation's management in a separate letter dated December 7, 2007.

We intend this report solely for the information and use of management and the Board of Directors. It is not intended for anyone other than these specified parties.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

**Mary Taylor, CPA**  
Auditor of State

December 7, 2007



**Mary Taylor, CPA**  
Auditor of State

**NEWCOMERSTOWN COMMUNITY IMPROVEMENT CORPORATION**

**TUSCARAWAS 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  
JANUARY 3, 2008**