

**WYANDOT COUNTY VISITORS
& CONVENTION BUREAU**
UPPER SANDUSKY, OHIO
REPORT ON AUDITED FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006



Mary Taylor, CPA
Auditor of State

Board of Trustees
Wyandot County Visitors and Convention Bureau
P.O. Box 357
Upper Sandusky, Ohio 43351

We have reviewed the *Independent Auditor's Report* of the Wyandot County Visitors and Convention Bureau, prepared by Holbrook & Manter, for the audit period January 1, 2006 through December 31, 2007. 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 Wyandot County Visitors and Convention Bureau is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

November 20, 2008

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INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
Wyandot County Visitors & Convention Bureau
Upper Sandusky, Ohio

We have audited the accompanying financial statements of assets and net assets – cash basis of the Wyandot County Visitors & Convention Bureau (a not-for-profit Organization) as of and for the years ended December 31, 2007 and 2006 and the related statements of revenue, expenses, and changes in net assets – cash basis for the years 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 audits.

We conducted our audits 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 presentation of cash receipts and disbursements. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 1, the Bureau prepared these financial statements on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United State of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and net assets of the Wyandot County Visitors & Convention Bureau as of December 31, 2007 and 2006, and its revenues, expenses, and the changes in net assets for the years then ended, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2008 on our consideration of the Bureau's internal control over financial reporting and our test 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 and compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of the testing. 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 and assessing the results of our audit.

A handwritten signature in black ink that reads 'Holbrook & Manter'.

Certified Public Accountants

June 19, 2008
Marion, Ohio

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MEMBERS
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
OHIO SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

WYANDOT COUNTY VISITORS & CONVENTION BUREAU
UPPER SANDUSKY, OHIO
STATEMENTS OF ASSETS AND NET ASSETS - CASH BASIS
AS OF DECEMBER 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
CURRENT ASSETS:-		
Cash and cash equivalents	\$ <u>7,385</u>	\$ <u>4,995</u>
Total assets	<u>\$ 7,385</u>	<u>\$ 4,995</u>
NET ASSETS:-		
Unrestricted	\$ <u>7,385</u>	\$ <u>4,995</u>
Total net assets	<u>\$ 7,385</u>	<u>\$ 4,995</u>

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

WYANDOT COUNTY VISITORS & CONVENTION BUREAU
UPPER SANDUSKY, OHIO
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS - CASH BASIS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

	2007		2006	
CHANGES IN UNRESTRICTED NET ASSETS:-				
REVENUE:-				
Transient guest tax	\$ 17,891	87.40%	\$ 8,848	79.12%
Memberships	2,365	11.55%	2,300	20.57%
Interest	24	0.12%	35	0.31%
Miscellaneous	190	0.93%	0	0.00%
Total cash receipts	20,470	100.00%	11,183	100.00%
EXPENSES:-				
Wages and related taxes	7,065	34.51%	3,335	29.82%
Telephone	495	2.42%	637	5.70%
Postage	223	1.09%	567	5.07%
Promotions/advertising	2,276	11.12%	2,453	21.94%
Dues & subscriptions	970	4.74%	950	8.50%
Displays	821	4.01%	441	3.94%
Insurance	475	2.32%	545	4.87%
Office expense	1,700	8.30%	1,472	13.16%
Internet services	385	1.88%	367	3.28%
Audit	0	0.00%	2,334	20.87%
Donations	118	0.58%	400	3.58%
Other utilities	531	2.59%	408	3.65%
Rent	2,700	13.19%	2,700	24.14%
Miscellaneous	321	1.57%	672	2.73%
Total cash disbursements	18,080	88.32%	17,281	151.25%
Increase (decrease) in net assets	2,390	11.68%	(6,098)	(51.25%)
Net assets, beginning of year	4,995		11,093	
Net assets, end of year	\$ 7,385		\$ 4,995	

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

WYANDOT COUNTY VISITORS & CONVENTION BUREAU
UPPER SANDUSKY, OHIO
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2007 AND 2006

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:-

Organization - The Wyandot County Visitors & Convention Bureau (the Bureau) was formed on July 29, 1992 as a not-for-profit organization for the purpose of promoting tourism for Wyandot County, Ohio. The organization receives an allocation from the City of Upper Sandusky for a portion of the Transient Guest Tax Collection.

The Bureau's management believes these financial statements present all activities for which the Bureau is financially accountable.

Basis of Presentation - The accompanying financial statements have been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Consequently, receipts are recognized when a payment is made rather than when a liability is incurred. Accordingly, the accompanying statements of revenue, expenses, and changes in net assets is not intended to present the financial position and results of operation in conformity with accounting principles accepted in the United States of America.

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

Operating or Unrestricted Net Assets - The operating or unrestricted net assets include unrestricted resources for reporting income and expense, represent the portion of net assets that are not subject to donor-imposed stipulations and are available for the budgeted operation of the Bureau.

Cash and Cash Equivalents - The Now account, Passbook savings, and petty cash are valued at cost.

Property, Plant, and Equipment - Acquisitions of property, plant, and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

Marketing and Advertising Expense - The Bureau regularly incurs various marketing and advertising expenses to promote the Wyandot County area, and are expensed when paid. The amount charged to advertising expense for the years ending December 31, 2007 and 2006 was \$2,276 and \$2,453, respectively.

Income Taxes - The Bureau is exempt from income taxes under Section 501(c)6 of the Internal Revenue Code. The Bureau has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) of the Internal Revenue Code.

NOTE 2 - CASH AND CASH EQUIVALENTS:-

The Bureau maintains a Now checking and Passbook savings account and holds petty cash available for small purchases. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash at December 31 follows:

	<u>2007</u>	<u>2006</u>
Now Account	\$ 682	\$ (2,099)
Passbook Savings	6,603	6,994
Petty Cash	100	100
Total	<u>\$ 7,385</u>	<u>\$ 4,995</u>

WYANDOT COUNTY VISITORS & CONVENTION BUREAU
UPPER SANDUSKY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006

NOTE 2 - CASH AND CASH EQUIVALENTS:- (continued)

The negative balance for the Now Account during 2006 is a timing difference, which represents outstanding checks that were written at the end of the year, but a transfer from the Passbook Savings was not completed until the beginning of 2007 to cover the outstanding checks.

NOTE 3 - CONCENTRATION OF RISK:-

The Bureau receives a significant amount of its support from a permissive lodging excise tax. The amount of receipts is solely dependent on the number of hotel rooms in Wyandot County and the occupancy rate of those rooms. The excise tax is collected by the City of Upper Sandusky Auditor's Office. The loss of these receipts would have an adverse effect on the Bureau's financial condition.

NOTE 4 - LEASE OBLIGATIONS:-

On December 31, 2006, the Bureau committed to a lease obligation for office space. The terms of the lease include monthly installments of \$225 over a one year period, at which time the lease would go on a month to month basis at the same monthly installment rate. The office space expense for the years ended December 31, 2007 and 2006 was \$2,700 per year.



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

The Board of Trustees
Wyandot County Visitors & Convention Bureau
Upper Sandusky, Ohio

We have audited the financial statements of the Wyandot County Visitors & Convention Bureau, (the Bureau) as of and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated June 19, 2008, wherein we noted the Bureau prepared the financial statements using the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Bureau's internal control over financial reporting as a basis for designing our auditing procedures for expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Bureau's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Bureau'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 the normal course of 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 Bureau's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the Bureau's financial statements that is more than inconsequential will not be prevented or detected by the Bureau's internal control.

We consider the deficiencies described in the accompanying schedule of findings as item 2007-001 to be a significant deficiency in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Bureau's internal control.

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

We also noted certain internal control matters that we reported to the Bureau's management in a separate letter dated June 19, 2008.

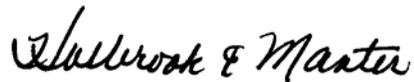
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Bureau's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

We did note certain noncompliance or other matters that we reported to the Government's management in a separate letter dated June 19, 2008.

Wyandot County Visitors & Convention Bureau, (the Bureau) response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the Bureau's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the audit or finance committee, management, and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.



Certified Public Accountants

June 19, 2008

**WYANDOT COUNTY VISITORS & CONVENTION BUREAU
UPPER SANDUSKY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

**FINDING RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

Finding Number	2007-001
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Significant Deficiency – Internal Control and Review Procedures

Although the Board receives and reviews a select number of reports from the Fiscal Officer of the Bureau for approval on a monthly basis, the Bureau has not established formal procedures to reasonably assure completeness and accuracy of the monthly reporting. During our testing and analysis, we noted that the Board of Trustees is not reviewing the numerical check sequence prior to signing the checks. In addition, they are not reviewing the bank statement for proper inclusion of authorized expenditures within the cancelled checks or electronic fund withdraws.

The Bureau should carefully review this information and make appropriate inquires to help determine the integrity of the financial information. When performing such review, the trustees' signatures or initials and the date should be affixed to the documents examined and it should be noted in the monthly minutes that the trustees' thoroughly reviewed and approved those documents. In addition, we also recommend that the numerical check sequence be noted in the minutes and signed off of by the Board each month.

Officials' Response

The Fiscal Officer will continue to provide the bank reconciliations and bank statements to the Trustees for their review and approval at each months meeting. The Bureau will also document and approve the review of those reports and the numerical sequence of the checks within the monthly minutes.



Mary Taylor, CPA
Auditor of State

WYANDOT COUNTY CONVENTION AND VISITORS BUREAU

WYANDOT 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
DECEMBER 4, 2008**