



**GROW LICKING COUNTY COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2013-2012



Dave Yost • Auditor of State

**GROW LICKING COUNTY COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY**

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INDEPENDENT AUDITOR'S REPORT

Grow Licking County Community Improvement Corporation
Licking County
50 West Locust Street
Newark, Ohio 43055

To the Board of Directors:

Report on the Financial Statements

We have audited the accompanying financial statements of Grow Licking County Community Improvement Corporation, Licking County, Ohio (the Corporation), (a not-for-profit corporation), which comprise the statement of financial position, the related statements of activities and cash flows, as of and for the years ended December 31, 2013 and 2012, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing those risks of financial statement material misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Corporation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Corporation's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Grow Licking County Community Improvement Corporation, Licking County, Ohio, as of December 31, 2013 and 2012, and the changes in financial position and its cash flows for the years then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2014, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

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Dave Yost
Auditor of State
Columbus, Ohio

September 25, 2014

GROW LICKING COUNTY COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY

STATEMENT OF NET POSITION
DECEMBER 31, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
Assets		
Equity in Pooled Cash and Cash Equivalents	\$ 134,114	\$ 138,548
Prepaid	23,500	-
Fixed Assets	<u>1,298</u>	<u>1,298</u>
<i>Total Assets</i>	<u>\$ 158,912</u>	<u>\$ 139,846</u>
Net Position		
Unrestricted	<u>\$ 158,912</u>	<u>\$ 139,846</u>
<i>Total Net Position</i>	<u>\$ 158,912</u>	<u>\$ 139,846</u>

See accompanying notes to the basic financial statements

**GROW LICKING COUNTY COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2013 AND 2012**

	2013	2012
Operating Receipts		
Contributions	\$ 187,500	\$ 303,600
Program Income	2,500	-
<i>Total Operating Receipts</i>	<u>190,000</u>	<u>303,600</u>
Operating Disbursements		
General	64,124	62,766
Contractual Services	101,390	75,228
Supplies	2,857	410
Other	2,563	25,350
<i>Total Operating Disbursements</i>	<u>170,934</u>	<u>163,754</u>
<i>Change in Net Position</i>	19,066	139,846
<i>Net Position Beginning of Year</i>	<u>139,846</u>	-
<i>Net Position End of Year</i>	<u><u>\$ 158,912</u></u>	<u><u>\$ 139,846</u></u>

See accompanying notes to the basic financial statements

**GROW LICKING COUNTY COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2013 AND 2012**

	2013	2012
Cash Flows from Operating Activities		
Increase in Cash and Cash Equivalents	\$ 19,066	\$ 139,846
Adjustments to reconcile operating income (loss) to Net Cash provided by Operating Activities:		
(Increase) Decrease in Prepaid Expense	(23,500)	-
<i>Net Cash Provided by (Used in) Operating Activities</i>	(4,434)	139,846
Cash Flows from Capital and Related Financing Activities		
Payments for Capital (Furniture & Equipment)	-	(1,298)
<i>Net Cash Provided by (Used in) Capital and Related Financing Activities</i>	-	(1,298)
Net Increase in Cash and Cash Equivalents	(4,434)	138,548
Beginning Cash Balance	138,548	-
Ending Cash Balance	\$ 134,114	\$ 138,548

See accompanying notes to the basic financial statements

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**GROW LICKING COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012**

1. Nature of Activities and Summary of Significant Accounting Policies

A. Description of the Entity

The Grow Licking County Community Improvement Corporation (the Corporation) was incorporated on November 29, 2011. The Corporation is a nonprofit entity which was formed for the specific purpose to advance, encourage, and promote the industrial, economic, commercial, and civic development of Licking County, Ohio, and to relieve County government from the responsibility for economic development functions such as retention and expansion and the enterprise zone/community reinvestment area program. There shall be three members of the Corporation, the Licking County Chamber of Commerce, Licking County and Heath-Newark-Licking County Port Authority.

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

B. Accounting Basis

The financial statements of the Corporation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

C. Basis of Presentation

Financial Statement presentation follows the recommendations of the *Financial Accounting Standards Board ACS 958, Financial Statements of Not-for-Profit Organizations*. Under ASC 958 the Organization is required to report information regarding its financial position and activities according to three classes of net position: unrestricted net position, temporarily restricted net position, and permanently restricted net position. As of December 31, 2013 and December 31, 2012, net assets are unrestricted.

D. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows and for presentation of the Statement of Financial Position, all cash in checking accounts are considered to be cash and cash equivalents.

E. Income Taxes

The Corporation is a not-for-profit organization that is exempt from income taxes under section 501(c)(3) of the Internal Revenue Code.

F. Use of Estimates

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

**GROW LICKING COUNTY COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012
(Continued)**

1. Nature of Activities and Summary of Significant Accounting Policies (continued)

G. Fixed Assets

The Corporation's only fixed assets are furniture and equipment. Acquisitions of property in excess of \$500 are capitalized. Furniture and equipment are reported at cost. Depreciation is computed using the straight-line method over a useful life of 5 years.

2. Cash

The bank balance of cash deposits at December 31, 2013 and 2012 was \$134,114 and \$138,548, respectively. Deposits are fully insured by the Federal Deposit Insurance Corporation.

3. Restriction of Net Position

The Corporation did not have any restrictions on cash as of December 31, 2013 and December 31, 2012.

4. Contingent Liabilities

Management believes there are no pending claims or lawsuits.

5. Risk Management

Commercial Insurance

The District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

6. Contributions

The Corporation receives contributions from individuals, governmental entities and private institutions to be used to accomplish the Corporation's purposes.



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

Grow Licking County Community Improvement Corporation
Licking County
50 West Locust Street
Newark, Ohio 43055

To the Board of Directors:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the Grow Licking County Community Improvement Corporation, Licking County, Ohio, (the Corporation) as of and for the years ended December 31, 2013 and 2012, and the related notes to the financial statements, and have issued our report thereon dated September 25, 2014.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Corporation's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Corporation's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Corporation's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

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, opining 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*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Corporation's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State
Columbus, Ohio

September 25, 2014



Dave Yost • Auditor of State

GROW LICKING COUNTY COMMUNITY IMPROVEMENT CORPORATION

LICKING 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 6, 2014**