

INN-OHIO OF ATHENS, INC.
ATHENS COUNTY
REGULAR AUDIT
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

OHIO AUDITOR OF STATE
KEITH FABER



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Board of Trustees
Inn-Ohio of Athens, Inc.
West Union Street Office Center, Suite 275
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Athens, Ohio 45701

We have reviewed the *Independent Auditor's Report* of the Inn-Ohio of Athens, Inc., Athens County, prepared by Crowe LLP, for the audit period July 1, 2022 through June 30, 2023. 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 Inn-Ohio of Athens, Inc. is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

December 05, 2023

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Inn-Ohio of Athens, Inc.

(a wholly owned subsidiary of The Ohio University Foundation)

Annual Financial Report

June 30, 2023 and 2022

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Inn-Ohio of Athens, Inc.
Athens, Ohio

Report on the Audit of the Financial Statements***Opinion***

We have audited the financial statements of Inn-Ohio of Athens, Inc., a wholly owned subsidiary of The Ohio University Foundation, which comprise the balance sheets as of June 30, 2023 and 2022, and the related statements of operations, comprehensive income (loss), changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Inn-Ohio of Athens, Inc. as of June 30, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Inn-Ohio of Athens, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Inn-Ohio of Athens, Inc.'s ability to continue as a going concern for one year from the date the financial statements are available to be issued.

(Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Inn-Ohio of Athens, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Inn-Ohio of Athens, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 12, 2023 on our consideration of the Inn-Ohio of Athens, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Inn-Ohio of Athens, Inc.'s 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 Inn-Ohio of Athens, Inc.'s internal control over financial reporting and compliance.

Crowe LLP

Crowe LLP

Columbus, Ohio
October 12, 2023

Balance Sheets
June 30, 2023 and 2022

	2023	2022
Assets		
Current Assets		
Cash	\$ 776,987	\$ 1,013,068
Investments	888,373	986,862
Accounts receivable - net	130,982	157,271
Income tax receivable	-	186,398
Inventories	75,248	85,284
Prepaid expenses and other assets	65,000	72,206
Total current assets	1,936,590	2,501,089
Property and Equipment - net	5,300,472	4,783,627
Total assets	\$ 7,237,062	\$ 7,284,716
Liabilities and Stockholder's Equity		
Current Liabilities		
Accounts payable	\$ 181,512	\$ 131,181
Current portion of long-term debt	45,970	47,117
Accrued and other current liabilities:		
Taxes payable	174,017	240,343
Accrued compensation	234,232	203,408
Other accrued liabilities	175,744	447,038
Total current liabilities	811,475	1,069,087
Long-term Debt - net of current portion	97,503	152,823
Deferred Income Tax Liability	143,204	107,111
Total liabilities	1,052,182	1,329,021
Stockholder's Equity		
Common stock	3,429,192	3,429,192
Contributed capital	4,266,632	4,266,632
Accumulated deficit	(1,510,944)	(1,740,129)
Total stockholder's equity	6,184,880	5,955,695
Total liabilities and stockholder's equity	\$ 7,237,062	\$ 7,284,716

Statements of Operations & Comprehensive Income (Loss)

Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Revenue		
Rooms	\$ 3,537,794	\$ 3,614,336
Food and beverage	2,100,732	1,838,257
Other	9,115	26,424
Total revenue	<u>5,647,641</u>	<u>5,479,017</u>
Operating Expenses		
Rooms	895,697	863,287
Food and beverage	1,712,213	1,531,576
Other	-	561
Total operating expenses	<u>2,607,910</u>	<u>2,395,424</u>
Income before General and Unapportioned Expenses	3,039,731	3,083,593
General and Unapportioned Expenses		
Administrative and general	689,482	764,465
Information and telecommunications systems	200,426	196,278
Repairs and maintenance	413,143	422,750
Taxes, insurance and other	326,197	337,236
Marketing	300,045	338,310
Management fees	190,086	186,917
Utilities	196,060	156,221
Total general and unapportioned expenses	<u>2,315,439</u>	<u>2,402,177</u>
Other Income		
Contribution revenue	299,417	888,519
Interest and dividends on investments	28,531	21,863
Realized (losses) gains on investments	(63,419)	8,075
Unrealized gains (losses) on investments	16,399	(134,026)
Total other income	<u>280,928</u>	<u>784,431</u>
Capital Expenses		
Interest expense	1,726	8,438
Depreciation	755,484	708,058
Total capital expenses	<u>757,210</u>	<u>716,496</u>
Income before Provision for Income Taxes	248,010	749,351
Income Tax Expense	18,825	27,412
Net Income	<u>\$ 229,185</u>	<u>\$ 721,939</u>

Statements of Stockholder's Equity

Years Ended June 30, 2023 and 2022

	Common Stock	Contributed Capital	Accumulated Deficit	Total Stockholder's Equity
Balance - July 1, 2021	\$ 3,429,192	\$ 4,266,632	\$ (2,462,068)	\$ 5,233,756
Net income	-	-	721,939	721,939
Balance - June 30, 2022	3,429,192	4,266,632	(1,740,129)	5,955,695
Net income	-	-	229,185	229,185
Balance - June 30, 2023	<u>\$ 3,429,192</u>	<u>\$ 4,266,632</u>	<u>\$ (1,510,944)</u>	<u>\$ 6,184,880</u>

Statements of Cash Flows
Years Ended June 30, 2023 and 2022

	2023	2022
Cash Flows from Operating Activities		
Net income	\$ 229,185	\$ 721,939
Adjustments to reconcile net income to net cash from operating activities:		
Depreciation	755,484	708,058
Deferred income tax expense	36,093	6,966
Realized losses (gains) on sale of investments	63,419	(8,075)
Unrealized (gains) losses on investments	(16,399)	134,026
Changes in operating assets and liabilities:		
Decrease (increase) in accounts receivable	212,687	(276,336)
Decrease (increase) in inventories	10,036	(21,749)
Decrease (increase) in prepaid expenses and other assets	7,206	(22,542)
Increase in accounts payable	50,331	3,340
Decrease in refundable advance	-	(718,098)
(Decrease) increase in accrued and other liabilities	(306,796)	281,832
Net cash provided by operating activities	1,041,246	809,361
Cash Flows from Investing Activities		
Acquisition of property and equipment	(1,272,329)	(1,276,165)
Purchases of investments	(278,531)	(21,863)
Proceeds from sale of investments	330,000	-
Net cash used in investing activities	(1,220,860)	(1,298,028)
Cash Flows from Financing Activities		
Proceeds from issuance of long-term debt	-	208,460
Payments on long-term debt	(56,467)	(8,520)
Net cash provided by (used in) financing activities	(56,467)	199,940
Net Decrease in Cash	(236,081)	(288,727)
Cash - Beginning of year	1,013,068	1,301,795
Cash - End of year	\$ 776,987	\$ 1,013,068
Supplemental Disclosure of Cash Flow Information		
Interest paid	\$ 1,726	\$ 2,453
Income taxes paid (refunded)	18,825	175,000

Notes to Financial Statements

June 30, 2023 and 2022

Note 1 – Organization

Inn-Ohio of Athens, Inc. (the "Company") was incorporated in Ohio on September 10, 1986 to acquire and operate an 87-room hotel and restaurant facility in Athens, Ohio known as The Ohio University Inn (the "Inn"). An additional wing with 61 rooms was added to the hotel and placed in service in October 1989. The Inn currently has 139 rooms in service. The Company is a wholly owned subsidiary of The Ohio University Foundation (the "Stockholder").

Note 2 – Significant Accounting Policies

Method of Accounting

The Company maintains its books and records in accordance with accounting principles generally accepted in the United States of America.

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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash

At times, cash may exceed federally insured amounts. As of June 30, 2023 and 2022, the company held \$444,927 and \$751,796, respectively, in cash that was uninsured by the FDIC.

Advertising Expense

Advertising costs are included in marketing expenses on the statement of operations and comprehensive income and expensed as incurred. Advertising expense for the years ended June 30, 2023 and 2022 was approximately \$7,955 and \$9,869, respectively.

Notes to Financial Statements

June 30, 2023 and 2022

Note 2 – Significant Accounting Policies (Continued)

Investments

Investments consist of a money market mutual fund and a fixed-income mutual fund valued at market value. Realized losses of \$63,419 and realized gains of \$8,075 are reported in net income for the years ended June 30, 2023 and 2022, respectively. Unrealized holding gains of \$16,399 and unrealized holding losses of \$134,026 are reported in net income for the years ended June 30, 2023 and 2022, respectively.

Trade Accounts Receivable

Accounts receivable consist of balances due from customers or businesses that have incurred charges at the facility. These customers' accounts have been preapproved for a direct billing from the facility based on a complete credit application. Collection of the accounts receivable balances is performed at the facility, and all amounts are deposited daily. In the normal course of business, the Company rents facilities to Ohio University, a related party, and its affiliates.

Accounts receivable include amounts due from Ohio University and its related programs, departments, and affiliates of approximately \$93,300 and \$92,000 as of June 30, 2023 and 2022, respectively. As Ohio University is the sole beneficiary of The Ohio University Foundation and The Ohio University Foundation has sole ownership rights in the Inn, Ohio University is considered a related party. Accounts receivable are stated at invoice amounts.

An allowance for doubtful accounts is recognized based on a specific assessment of all invoices that remain unpaid. The allowance is determined based on management's estimate of the amounts recoverable from each customer. The allowance for doubtful accounts on accounts receivable balances was \$0 as of June 30, 2023 and 2022.

Inventories

Inventories consist of food and beverage products and gift shop items, which are valued at the lower of cost or net realizable value (NRV), with cost determined on the first-in, first-out (FIFO) method.

Property and Equipment

Property and equipment are recorded at cost less accumulated depreciation. Cost of normal repairs and maintenance and minor renewals are charged to expense. Major expenditures, with a minimum value of \$2,000 and which extend the useful lives of assets, are capitalized.

Notes to Financial Statements

June 30, 2023 and 2022

Note 2 – Significant Accounting Policies (Continued)

Depreciation is computed using the straight-line method over the estimated useful lives of the property and equipment.

As of June 30, 2023 and 2022, the Company is of the opinion that there is no impairment of property and equipment.

Loan Issuance Costs

Loan issuance costs are amortized using the straight-line method (which approximates the effective interest method) over the life of the related debt. Amortization expense was \$0 for the years ended June 30, 2023 and 2022, respectively.

Revenue and Cost Recognition

Revenue is recognized from room, restaurant, beverage, and telephone facilities and services as earned at the close of business each day. The majority of the Company's business is derived from Ohio University and its related programs, departments, and affiliates.

During the fiscal year ended June 30, 2021, the Company applied for and received a Paycheck Protection Program (PPP) loan from the U.S. Small Business Administration (SBA) in the amount of \$718,098. The loan was designed to provide a direct incentive for small businesses affected by COVID-19 to keep their workers on the payroll. SBA would provide forgiveness of the loan if all employee retention criteria were met and the funds were used for eligible expenses, including payroll costs, interest on mortgages, rent and utilities. During the fiscal year ended June 30, 2022, the SBA forgave \$509,638 of the loan that was issued during the fiscal year ended June 30, 2021, and the forgiven amount was recorded as contribution revenue on the accompanying Statement of Operations & Comprehensive Income (Loss). The unforgiven portion of the loan was reclassified from a refundable advance to long-term debt on the accompanying Balance Sheet. For more information on the terms of the loan, see Note 5.

Notes to Financial Statements

June 30, 2023 and 2022

Note 2 – Significant Accounting Policies (Continued)

During the fiscal years ended June 30, 2023 and 2022, the Company also applied for and received Employee Retention Tax Credits in the amount of \$299,417 and \$378,881, respectively, which were recorded as contribution revenue on the accompanying Statement of Operations & Comprehensive Income (Loss). The Company determined it met the applicable conditions for the credit based on the gross receipts criteria. The IRS may choose to audit the Company's claim in a future period of 3 to 5 years, depending on the specific calendar quarter claimed. If the Company is deemed ineligible to receive some or all of the credit, repayment may be requested at that time.

Income Taxes

A current tax liability or asset is recognized for the estimated taxes payable or refundable on tax returns for the year. Deferred tax liabilities or assets are recognized for the estimated future tax effects of temporary differences between financial reporting and tax accounting.

Other Comprehensive Income (Loss)

Accounting principles generally require that recognized revenue, expenses, gains, and losses be included in net income. The Company has no other comprehensive income (loss) as of June 30, 2023 and 2022.

Recently Adopted Accounting Pronouncements

ASU 2016-02, Leases (Topic 842) ("ASC 842"), requires lessees to recognize a lease liability and a right-of-use asset on the Balance Sheet for most operating leases, except for those leases with an original term of 12 months or less. Accounting for capital leases, now referred to as financing leases, is substantially unchanged. ASC 842 is effective for fiscal years beginning after December 15, 2021. The Company adopted ASC 842 during the year ended June 30, 2023 with no impact.

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including October 12, 2023, which is the date the financial statements were available to be issued.

Notes to Financial Statements

June 30, 2023 and 2022

Note 3 – Fair Value Measurements

Accounting standards require certain assets and liabilities to be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Company has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets and other inputs, such as interest rates and yield curves that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management's own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.

In instances whereby inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Company's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

The Company's investment in a money market mutual fund totaling \$256,532 and \$0 as of June 30, 2023 and 2022, respectively, is valued using Level 1 inputs. The Company's investment in a fixed-income mutual fund totaling \$631,841 and \$986,862 as of June 30, 2023 and 2022, respectively, is valued using Level 1 inputs.

Notes to Financial Statements

June 30, 2023 and 2022

Note 4 – Property and Equipment

Property and equipment are summarized as follows:

	2023	2022	Depreciable Life - Years
Land	\$ 323,978	\$ 323,978	
Land improvements	1,173,714	1,152,914	5-15
Buildings	8,938,087	8,347,261	30-40
Furniture and fixtures	7,804,677	6,419,961	3-10
Construction in progress	90,697	814,710	
Total cost	<u>18,331,153</u>	<u>17,058,824</u>	
Accumulated depreciation	<u>13,030,681</u>	<u>12,275,197</u>	
Net property and equipment	<u>\$ 5,300,472</u>	<u>\$ 4,783,627</u>	

Depreciation expense for the years ended June 30, 2023 and 2022 totaled \$755,484 and \$708,058, respectively.

Note 5 – Long-Term Debt

As of June 30, 2023 and 2022, debt obligations consisted of the following:

	2023	2022
Paycheck Protection Program Loan	\$ 143,473	\$ 199,940
Less current portion of long-term debt	<u>(45,970)</u>	<u>(47,117)</u>
Total long-term portion	<u>\$ 97,503</u>	<u>\$ 152,823</u>

In April 2022, the SBA forgave \$509,638 of the \$718,098 PPP loan that was issued to the Company during the fiscal year ended June 30, 2021. At that time, the unforgiven portion of the loan, in the amount of \$208,460, was reclassified from a refundable advance to long-term debt on the Balance Sheet.

Principal payments on the PPP Loan ranging from \$4,200 to \$4,300 are due in monthly installments through May 2026. The interest rate on the PPP Loan is fixed at 1.0 percent.

Notes to Financial Statements

June 30, 2023 and 2022

Note 5 – Long-Term Debt (Continued)

Maturities of long-term debt are as follows as of June 30, 2023:

<u>Years Ending</u>	<u>Amount</u>
2024	\$ 45,970
2025	50,632
2026	46,871
Total	<u>\$ 143,473</u>

Note 6 – Working Capital Loans Payable to Stockholder

The Stockholder made available to the Company working capital loans, with interest at the prime rate, of up to \$450,000 as of June 30, 2023 and 2022. There were no outstanding borrowings on these working capital loans as of June 30, 2023 and 2022. The interest rate, which is stated at the prime rate, was 8.25 percent and 4.75 percent as of June 30, 2023 and 2022, respectively.

Note 7 – Stockholder’s Equity

As of June 30, 2023 and 2022, the authorized capital stock of the Company was 750 shares of common stock with no par value, and 250 shares of redeemable preferred stock with a stated value of \$10,000 to be cumulative for payment of dividends with an interest rate of the United States Federal Discount Rate.

As of June 30, 2023 and 2022, there were 342.9192 shares of voting common stock, and no shares of preferred stock, issued and outstanding.

Note 8 – Management Fees

The property manager's compensation is based on a base fee plus a percentage of the Inn's net available operating profit, as defined in the management agreement. Management fees earned by the manager were \$190,086 and \$186,917 for the fiscal years ended June 30, 2023 and 2022, respectively.

Notes to Financial Statements

June 30, 2023 and 2022

Note 9 – Income Taxes

The provision for income taxes for the years ended June 30, 2023 and 2022 consists of the following:

	<u>2023</u>	<u>2022</u>
Current income tax (recovery) expense	\$ (17,268)	\$ 20,446
Deferred income tax expense	36,093	6,966
Total income tax expense	<u>\$ 18,825</u>	<u>\$ 27,412</u>

The components of the deferred income tax asset and liability as of June 30, 2023 and 2022 are as follows:

	<u>2023</u>	<u>2022</u>
Deferred tax assets	\$ 186,309	\$ 103,566
Deferred tax liabilities	(329,513)	(210,677)
Total	<u>\$ (143,204)</u>	<u>\$ (107,111)</u>

For 2023 and 2022, the difference between the federal statutory tax rate and the Company's provision for income taxes relates primarily to state income taxes.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Trustees
Inn-Ohio of Athens, Inc.
Athens, Ohio

We have audited, in accordance with the 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, the financial statements of Inn-Ohio of Athens, Inc., a wholly-owned subsidiary of The Ohio University Foundation, which comprise the balance sheet as of June 30, 2023, and the related statements of operations and comprehensive income (loss), stockholder's equity, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 12, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Inn-Ohio of Athens, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Inn-Ohio of Athens, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Inn-Ohio of Athens, Inc.'s internal control.

A deficiency in internal control 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. 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 deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

(Continued)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Inn-Ohio of Athens, Inc. financial statements are free from 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 financial statements. 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Crowe LLP

Columbus, Ohio
October 12, 2023

OHIO AUDITOR OF STATE KEITH FABER



INN-OHIO OF ATHENS, INC.

ATHENS COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 12/19/2023

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov