



**GEAUGA COUNTY TOURISM COUNCIL
GEAUGA COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2003 & 2002



**Auditor of State
Betty Montgomery**

**GEAUGA COUNTY TOURISM COUNCIL
GEAUGA COUNTY**

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Geauga County Tourism Council
Geauga County
P.O. Box 846
Middlefield, Ohio 44062

To the Board of Trustees:

We have audited the accompanying financial statements of the Geauga County Tourism Council, Geauga County, Ohio (the Council) as of and for the years ended December 31, 2003 and December 31, 2002. These financial statements are the responsibility of the Council'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.

As described Note 1, the Council prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balances of the Geauga County Tourism Council, Geauga County, as of December 31, 2003 and December 31, 2002, and its cash receipts and disbursements 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 August 16, 2004 on our consideration of the Council's internal control over financial reporting and 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.

This report is intended solely for the information and use of the audit committee, management, the Board of Trustees, and other officials authorized to receive this report under Section 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

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Betty Montgomery
Auditor of State

August 16, 2004

**GEAUGA COUNTY TOURISM COUNCIL
GEAUGA COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE - THE GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2003**

	General
Cash Receipts:	
Intergovernmental	\$59,300
Brochure Advertising	35,212
Member Contributions	6,600
Afghan/Banner Sales	50
Interest Income	364
Other Income	170
	101,696
 Cash Disbursements:	
Current:	
Brochure Printing & Design	52,379
Brochure Distribution	7,278
Advertising	18,667
Answering Service	5,845
Accounting	1,165
Office Supplies	1,005
Insurance/Utilities	4,720
Rent	2,520
Postage	3,431
Travel	1,081
Other	741
	98,832
Total Receipts Over/(Under) Disbursements	2,864
 Fund Cash Balances, January 1, 2003	 58,137
Fund Cash Balances, December 31, 2003	\$61,001

The notes to the financial statements are an integral part of this statement.

**GEAUGA COUNTY TOURISM COUNCIL
GEAUGA COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE - THE GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2002**

	General
Cash Receipts:	
Intergovernmental	\$89,845
Brochure Advertising	18,478
Member Contributions	4,775
Afghan/Banner Sales	100
Interest Income	593
Other Income	200
 Total cash receipts	 113,991
Cash Disbursements:	
Current:	
Brochure Printing & Design	38,984
Brochure Distribution	9,441
Advertising	30,885
Answering Service	5,870
Accounting	930
Office Supplies	6,310
Insurance/Utilities	5,095
Rent	2,520
Casual Labor	1,312
Postage	3,220
Travel	2,248
Other	1,829
 Total Disbursements	 108,644
 Total Receipts Over/(Under) Disbursements	 5,347
 Fund Cash Balances, January 1, 2002	 52,790
 Fund Cash Balances, December 31, 2002	 \$58,137

The notes to the financial statements are an integral part of this statement.

**GEAUGA COUNTY TOURISM COUNCIL
GEAUGA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Geauga County Tourism Council, Geauga County, Ohio, (the Council) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Geauga County Tourism Council is a Community Improvement Corporation as established by the Board under the authority of Section 307.693 Ohio Revised Code. The Council is directed by a ten-member Board of Trustees elected by the membership of the Council. The Council's Intergovernmental revenue is Hotel/Motel tax collected by Geauga County.

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

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred.

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

C. Cash and Investments

The Council only deals with demand deposits.

D. Fund Accounting

The Council accounts for all of its financial activity in the General Fund. The General Fund is the general operating fund. It is used to account for all financial resources except those required by law or contract to be restricted.

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Council maintains a cash and investments pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 was as follows:

	<u>2003</u>	<u>2002</u>
Demand Deposits	<u>\$61,001</u>	<u>\$58,137</u>
Total Deposits	<u>\$61,001</u>	<u>\$58,137</u>

Deposits: Deposits are either insured by the Federal Depository Insurance Corporation or collateralized by the financial institution's public entity deposit pool.

3. RISK MANAGEMENT

The Council has obtained commercial liability insurance.

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**Auditor of State
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE AND ON
INTERNAL CONTROL REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

Geauga County Tourism Council
Geauga County
P.O. Box 846
Middlefield, Ohio 44062

To the Board of Trustees:

We have audited the financial statements of the Geauga County Tourism Council, Geauga County, Ohio, (the Council) as of and for the years ended December 31, 2003 and December 31, 2002, and have issued our report thereon dated August 16, 2004. 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.

Compliance

As part of obtaining reasonable assurance about whether the Council's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could directly and materially 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 that we must report under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Council's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a 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 in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of 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. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Council in a separate letter dated August 16, 2004.

Geauga County Tourism Council
Geauga County
Independent Accountants' Report on Compliance and on
Internal Control Required by *Government Auditing Standards*
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This report is intended solely for the information and use of the audit committee, management and the Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

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

Betty Montgomery
Auditor of State

August 16, 2004



**Auditor of State
Betty Montgomery**

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GEAUGA COUNTY TOURISM COUNCIL

GEAUGA 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
SEPTEMBER 14, 2004**