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February 5, 2015

Board of Directors
Orange County Convention & Visitors Bureau, Inc.
8291 W. Beechwood Avenue
French Lick, IN 47432

We have reviewed the audit report prepared by Krueger & Associates, CPA's, LLC, for the period January 1, 2011 to December 31, 2011. In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts. Per the Independent Public Accountants' opinion, the financial statements included in the report present fairly the financial condition of Orange County Convention & Visitors Bureau, Inc., as of December 31, 2011, and the results of its operations for the period then ended, on the basis of accounting described in the report.

The Independent Public Accountants' report is filed with this letter in our office as a matter of public record.

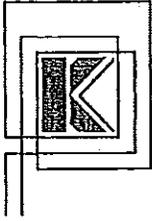
Paul D. Joyce
Paul D. Joyce, CPA
State Examiner

**ORANGE COUNTY CONVENTION &
VISITORS BUREAU, INC.
French Lick, Indiana**

**FINANCIAL STATEMENTS
For the Years Ended December 31, 2011 and 2010**

ORANGE COUNTY CONVENTION & VISITORS BUREAU, INC.
French Lick, Indiana

<u>TABLE OF CONTENTS</u>	<u>PAGE</u>
AUDITORS' REPORT.....	1
EXHIBIT A STATEMENTS OF ASSETS, LIABILITIES AND NET ASSETS - MODIFIED CASH BASIS.....	2
EXHIBIT B STATEMENTS OF REVENUE, EXPENSES, AND CHANGES IN NET ASSETS - MODIFIED CASH BASIS.....	3
NOTES TO FINANCIAL STATEMENTS.....	4-7



Krueger & Associates, CPA's, LLC

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Orange County Convention & Visitors Bureau, Inc.

We have audited the accompanying statement of assets, liabilities, and net assets—modified cash basis of Orange County Convention & Visitors Bureau, Inc. (a nonprofit organization) as of December 31, 2011 and the related statement of support, revenue, and expenses—modified cash basis for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits. The financial statements of Orange County Convention & Visitors Bureau, Inc. as of December 31, 2010, were audited by other auditors whose report dated June 8, 2011, expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 in note 1, these financial statements were prepared on the modified cash basis of accounting, 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 assets, liabilities, and net assets of Orange County Convention & Visitors Bureau, Inc. as of December 31, 2011, and its support, revenue, and expenses for the year then ended, on the basis of accounting described in note 1.

Krueger & Associates, CPA's, LLC
Krueger & Associates, CPA's, LLC

Jasper, Indiana
March 30, 2011

ORANGE COUNTY CONVENTION & VISITORS BUREAU, INC.
French Lick, Indiana

EXHIBIT A

**STATEMENTS OF ASSETS, LIABILITIES AND NET ASSETS -
MODIFIED CASH BASIS**
December 31, 2011 and 2010

ASSETS

	2011	2010
CURRENT ASSETS		
Cash in bank	\$1,248,889	\$1,118,742
Total Current Assets	1,248,889	1,118,742
PROPERTY AND EQUIPMENT		
Property and equipment	350,140	350,140
Less accumulated depreciation	(48,182)	(36,521)
Total property and equipment	301,958	313,619
TOTAL ASSETS	\$1,550,847	\$1,432,361

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accrued payroll taxes	\$3,944	\$6,796
TOTAL LIABILITIES	3,944	6,796
NET ASSETS		
Unrestricted		
Undesignated	1,546,903	1,425,565
TOTAL NET ASSETS	1,546,903	1,425,565
TOTAL LIABILITIES AND NET ASSETS	\$1,550,847	\$1,432,361

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

ORANGE COUNTY CONVENTION & VISITORS BUREAU, INC.
French Lick, Indiana

EXHIBIT B

**STATEMENTS OF REVENUE, EXPENSES AND
 CHANGES IN NET ASSETS - MODIFIED CASH BASIS**
 For the Year Ended December 31,

	2011	2010
SUPPORT AND REVENUE		
Support and other revenues	\$819,882	\$1,223,281
Interest income	5,377	5,691
Total Support and Revenue	825,259	1,228,972
Expenses		
Marketing expense	410,699	615,972
Event sponsorship	29,000	28,037
Insurance	3,472	2,981
Equipment lease expense	15,318	9,947
Office equipment expense	1,243	2,691
Legal and professional	10,310	13,463
Memberships and dues	9,523	11,700
Property taxes	3,176	4,828
Repairs and maintenance	10,100	9,557
Salaries	79,634	152,525
Executive director	50,000	79,800
Employee benefits	17,282	21,595
Payroll taxes	10,898	13,350
Supplies	14,921	19,700
Telephone	7,725	10,356
Travel	13,578	26,585
Utilities	5,381	5,544
Depreciation expense	11,661	11,652
Total Expenses	703,921	1,040,283
 (Decrease) in Net Assets	 121,338	 188,689
 Net assets - Beginning of year	 1,425,565	 1,236,876
 Net assets - End of year	 \$1,546,903	 \$1,425,565

The accompanying notes are an integral part of the financial statements

ORANGE COUNTY CONVENTION & VISITORS BUREAU, INC.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2011 AND 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

Orange County Convention & Visitors Bureau, Inc. (hereinafter referred to as "the Organization") was established in order to promote conventions and tourism in Orange County, Indiana.

Basis of Presentation

The Organization's financial statements are presented on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

Grants and other contributions of cash and other assets are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. However, donor restricted support whose restrictions are met in the same reporting period in which the support is received is reported as unrestricted support.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Fund Accounting

The accounts of the Organization's are maintained in accordance with the principles of fund accounting. The cost of the Organization's program have been reported on a functional basis.

Cash Equivalents

The Organization considers all highly liquid investments with a maturity of three month or less to be cash equivalents.

ORANGE COUNTY CONVENTION & VISITORS BUREAU, INC.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2011 and 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and depreciation

Office furniture is recorded at cost or at estimated market value at the time of receipt in case of donated equipment. Depreciation is computed by the straight line method over the estimated useful lives of the respective asset accounts as follows:

Leasehold Improvements	5-39 years
Furniture and Fixtures	5-10

Furniture, equipment, and leasehold improvements are capitalized at cost. It is the Organization's policy to capitalize expenditures for these items in excess of \$1,000 and have a useful life in excess of one year. Maintenance and repairs that do not improve or extend the useful lives of the respective assets are currently expensed.

The Organization leases certain items of office equipment. The lease payments are expensed when paid.

Federal and State Income Taxes

The Organization is recognized as a nonprofit corporation under Section 501 of the Internal Revenue Code by both the state and federal taxing authorities. Therefore, no provision for federal or state income taxes is included in the financial statements. The Organization is other than a private foundation.

Property and Equipment

The costs and related accumulated depreciation of property and equipment consisted of the following as of December 31,

	<u>2011</u>	<u>2010</u>
Land, building and improvement	\$345,442	\$345,442
Furniture and equipment	<u>4,698</u>	<u>4,698</u>
	350,140	350,140
Less accumulated depreciation	<u>(48,182)</u>	<u>(36,521)</u>
Net carrying value	<u>\$301,958</u>	<u>\$313,619</u>

Depreciation charged to expense for the 12 months ended December 31, 2011 and 2010, was \$11,661 and \$11,652, respectively, computed on a declining balance.

ORANGE COUNTY CONVENTION & VISITORS BUREAU, INC.

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2011 and 2010

Advertising

The Organization expenses all advertising costs when incurred.

Date of Management's Review

Management has evaluated subsequent events through March 30, 2012, the date on which the financial statements were available to be issued.

NOTE 2: CONCENTRATIONS OF CREDIT RISK

The Organization maintains cash balances at various financial institutions. Cash balances at these institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000 in 2011 and 2010. At December 31, 2011 and 2010, uninsured balances consisted of \$194,448 and \$715,582, respectively.

NOTE 3: INCOME TAXES

There are no material tax positions taken by the Organization which require recognition or disclosure under the provisions of FASB ASC 740 (formerly Fin 48) "Accounting for Uncertainty in Income Taxes." The Organization's federal and state income tax returns for all years after 2008 are subject to examination by taxing authorities.

NOTE 4: CONTINGENCIES

The Organization is primarily funded by support and revenues awarded by agencies of the State and local communities. A significant reduction in the level of this support, if it were to occur, would have a serious effect on the Organization's programs and activities.

The Organization has pledged \$200,000 to be used by the county for road improvements. The Organization expect to apply for additional innkeeper tax monies to replace the \$200,000 pledged.

ORANGE COUNTY CONVENTION & VISITORS BUREAU, INC.

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2011 and 2010

NOTE 5: RELATED PARTY TRANSACTIONS

The Organization purchases services and products from a company owned by a current board member. The purchases involved are for computer and office technology support and service, and are disclosed to, and approved by, the board of directors.