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June 5, 2009

Board of Directors  
Daviness County Visitors Bureau  
P.O. Box 430  
Washington, IN 47501

We have reviewed the audit report prepared by Parsons & Associates, PC, Independent Public Accountants, for the period July 1, 2006 to June 30, 2008. 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 the Daviness County Visitors Bureau, as of June 30, 2008, 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.

STATE BOARD OF ACCOUNTS

Daviess County Visitors Bureau  
Financial Statements

June 30, 2008 and 2007



**PARSONS & ASSOCIATES, PC**

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Certified Public Accountants

**Daviess County Visitors Bureau**  
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## PARSONS & ASSOCIATES, PC

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### Independent Auditors' Report

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Board of Directors  
Daviess County Visitors Bureau  
Washington, Indiana

Ladies and Gentlemen

We have audited the accompanying statements of financial position of Daviess County Visitors Bureau (a nonprofit organization) as of June 30, 2008 and 2007, and the related statements of activities, functional expenses, and cash flows for the years 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 audit.

We conducted our audit in accordance with generally accepted auditing standards. 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Daviess County Visitors Bureau as of June 30, 2008 and 2007, and the changes in its net assets and its cash flows for the years then ended in conformity with generally accepted accounting principles.

Parsons & Associates, P.C.

Certified Public Accountants  
Washington, Indiana

March 20, 2009

**Daviess County Visitors Bureau  
 Statements of Financial Position  
 Years Ended June 30, 2008 and 2007**

	2008	2007
<b>Assets</b>		
Cash in banks	\$ 12,139	\$ 669
Accounts receivable	323	0
	<u>\$ 12,462</u>	<u>\$ 669</u>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable	0	884
Advance payable Chamber of Commerce	0	2,500
	<u>0</u>	<u>3,384</u>
<b>Net Aseets</b>		
Undesignated	<u>\$ 12,462</u>	<u>\$ (2,715)</u>
	<u>\$ 12,462</u>	<u>\$ 669</u>

See accompanying independent auditors' report and notes to financial statements.

**Daviess County Visitors Bureau**  
**Statements of Activities**  
**Years Ended June 30, 2008 and 2007**

	2008	2007
<b>Revenues and Other Support</b>		
Innkeepers tax revenue	\$ 173,146	\$ 156,054
Other income	243	45
<b>Gross Profit</b>	<u>173,389</u>	<u>156,099</u>
<b>Allocations and Other Functional Expenses</b>		
Chamber contract	45,000	45,000
Dues and subscriptions	2,750	2,989
Internet	360	431
Miscellaneous	464	296
Office expense	2,387	1,976
Postage	2,028	7,728
Printing and advertising	56,755	32,441
Professional fees	4,850	6,000
Public relations	734	5,702
Rent	3,600	3,900
Shipping	2,151	752
Special projects	33,756	43,637
Telephone	1,389	1,872
Travel Expense	1,988	2,488
	<u>158,212</u>	<u>155,212</u>
<b>Change in Net Assets</b>	15,177	887
<b>Net Assets at Beginning of Year</b>	(2,715)	(3,602)
<b>Net Assets at End of Year</b>	<u>\$ 12,462</u>	<u>\$ (2,715)</u>

See accompanying independent auditors' report and notes to financial statements.

**Daviess County Visitors Bureau**  
**Statements of Cash Flows**  
**Year Ended June 30, 2008 and 2007**

	2008	2007
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ 15,177	\$ 887
Adjustment to reconcile changes in net assets to net cash provided by operations		
(Increase) Decrease in:		
Accounts receivable	(323)	0
Increase (Decrease) in:		
Accounts payable	(884)	(16,781)
Advance payable Chamber of Commerce	(2,500)	0
	<u>11,470</u>	<u>(15,894)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	11,470	(15,894)
<b>Cash and Cash Equivalents at Beginning of Year</b>	<u>669</u>	<u>16,563</u>
<b>Cash and Cash Equivalents at End of Year</b>	<u>\$ 12,139</u>	<u>\$ 669</u>

See accompanying independent auditors' report and notes to financial statements.

<b>General</b>	The Organization was formed to promote and encourage conventions, visitors and tourism within Daviess County.
<b>Basis of Accounting</b>	The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.
<b>Accounting for Revenue</b>	The Daviess County Visitors Bureau receives its support primarily through funds from the Auditor of Daviess County as a result of the collection of the Innkeeper's Tax.
<b>Estimates</b>	The preparation of financial statements in conformity with generally accepted accounting principles 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 revenues and expenses during the reported period. Actual results could differ from those estimates.
<b>Fair Value of Financial Instruments</b>	The Organization measures financial assets and liabilities in accordance with generally accepted accounting principles. The fair value of a financial instrument is the amount at which the instrument could be exchanged in a current transaction between willing parties. For certain of the Organization's financial instruments, including cash, accounts receivable and payables, the carrying amount approximates fair value because of their short maturities. None of the financial instruments are held for trading purposes.
<b>Cash and Cash Equivalents</b>	The Organization considers all liquid investments acquired with a maturity of three months or less to be cash equivalents. Cash equivalents, at June 30, 2008 and 2007, consisted of checking and savings accounts.
<b>Federal Income Taxes</b>	The Daviess County Visitors Bureau was created by the Daviess County Council and is administered by the Daviess County Chamber of Commerce which has been granted an exemption from paying income taxes under Section 501(c)(6) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made.
<b>Related Party Transactions</b>	The Organization paid the Chamber of Commerce an annual fee to provide administrative services and for operating expenses. The Daviess County Council approves the contract annually. The amounts paid for the years ended June 30, 2008 and 2007 were \$45,000 and \$45,000, respectively.

**Related Party Transactions**

The Organization receives advances periodically to cover cash flow needs from the Chamber of Commerce. The balance of these advances at June 30, 2008 and 2007 were \$0 and \$2,500, respectively.