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April 26, 2018

Board of Directors
Perry County Convention and Visitor's Bureau, Inc.
333 7th Street
Tell City, IN 47586

We have reviewed the report prepared by Perry County Convention and Visitor's Bureau, Inc. and opined upon by Krueger & Associates, CPAs, LLC, Independent Public Accountants, for the period January 1, 2016 to December 31, 2016. Per the *Independent Auditor's Report* the financial statements included in the report present fairly the financial condition of Perry County Convention and Visitor's Bureau, Inc. as of December 31, 2016 and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, Krueger & Associates, CPAs, LLC prepared all required independent auditor's reports in accordance with generally accepted auditing standards and guidelines established by the State Board of Accounts.

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

A handwritten signature in blue ink that reads "Paul D. Joyce".

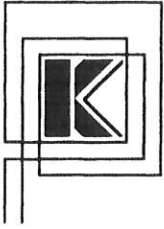
Paul D. Joyce, CPA
State Examiner

**PERRY COUNTY CONVENTION AND
VISITOR'S BUREAU, INC.
Tell City, Indiana**

**FINANCIAL STATEMENTS
For the Year Ended December 31, 2016**

PERRY COUNTY CONVENTION AND VISITOR'S BUREAU, INC.
Tell City, Indiana

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Krueger & Associates, CPA's, LLC

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Perry County Convention & Visitor's Bureau, Inc.

We have audited the accompanying financial statements of Perry County Convention & Visitor's Bureau, Inc. (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets—modified cash basis as of December 31, 2016, and the related statement of revenue, expenses and changes in net assets—modified cash basis for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting as described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

Auditor's Responsibility

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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of Perry County Convention & Visitor's Bureau, Inc. as of December 31, 2016, and its revenue, expenses and changes in net assets for the year then ended in accordance with the modified cash basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Krueger & Associates, CPA's, LLC

Krueger & Associates, CPA's, LLC

Jasper, IN

November 13, 2017

PERRY COUNTY CONVENTION AND VISITOR'S BUREAU, INC.
Tell City, Indiana

EXHIBIT A

STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS -
 MODIFIED CASH BASIS
 December 31, 2016

ASSETS

	2016
CURRENT ASSETS	
Cash - checking	\$25,765
Cash - commission	4,271
Cash - savings	100,014
Cash - register	125
Petty cash	200
Certificates of deposit	20,075
Total Current Assets	150,450
 PROPERTY AND EQUIPMENT	
Equipment	8,231
Less accumulated depreciation	(7,292)
Total property and equipment	939
 TOTAL ASSETS	\$151,389

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	
Accrued payroll taxes	\$2,021
Gift certificates payable	70
TOTAL LIABILITIES	2,091
 NET ASSETS	
Unrestricted	
Undesignated	149,298
TOTAL NET ASSETS	149,298
 TOTAL LIABILITIES AND NET ASSETS	\$151,389

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

PERRY COUNTY CONVENTION AND VISITOR'S BUREAU, INC.
Tell City, Indiana

EXHIBIT B

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

	Unrestricted 2016
SUPPORT AND REVENUE	
Innkeeper tax	\$167,863
Sales - gift shop	26,497
Miscellaneous	9,170
Interest	97
Total Support and Revenue	203,627
Expenses	
Wages	63,945
Depreciation	344
Printing and advertising	14,456
Bank charges	10
Contributions	1,061
Office supplies	5,128
Meetings and seminars	6,226
Cost of sales - gift shop	19,526
Miscellaneous	1,385
Utilities	11,555
Phone	1,982
Meals/travel expense	8,466
Dues and assessments	4,087
Sponsorships	3,500
Payroll taxes	4,471
Insurance	1,956
Professional fees	2,490
Rent	1,800
Repairs and maintenance	4,906
Total Expenses	157,294
Increase in Net Assets	46,333
Net assets - Beginning of year	102,965
Net assets - End of year	\$149,298

The accompanying notes are an integral part of the financial statements

PERRY COUNTY CONVENTION AND VISITOR'S BUREAU, INC.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

Perry County Convention and Visitor's Bureau, Inc. was incorporated as a non-profit corporation in the State of Indiana for the purpose of overseeing the disbursement of funds generated by the Perry County Innkeeper's Tax in a fair and impartial manner that will promote the development and growth of the tourism industry in Perry County with an emphasis on overnight tourism business.

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.

PERRY COUNTY CONVENTION AND VISITOR'S BUREAU, INC.

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2016

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 declining balance method over the estimated useful lives of the respective asset accounts as follows:

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

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>2016</u>
Furniture and equipment	\$ 8,231
Less accumulated depreciation	<u>(7,292)</u>
Net carrying value	<u>\$ 939</u>

Depreciation charged to expense for the 12 months ended December 31, 2016, was \$344 computed on a declining balance.

Advertising

The Organization expenses all advertising costs when incurred.

Date of Management's Review

Management has evaluated subsequent events through November 13, 2017, the date on which the financial statements were available to be issued.

PERRY COUNTY CONVENTION AND VISITOR'S BUREAU, INC.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2016

NOTE 2: CONCENTRATIONS OF CREDIT RISK

The Organization maintains cash balances at one financial institution. Cash balances at this institution are insured by the Federal Deposit Insurance Corporation up to \$250,000 in 2016. There were no uninsured balances at December 31, 2016.

NOTE 3: - INCOME TAXES

There are no material tax positions taken by the corporation which require recognition or disclosure under the provisions of FASB ASC 740 (formerly Fin 48) "Accounting for Uncertainty in Income Taxes." The corporation's federal and state income tax returns for all years after 2013 are subject to examination by taxing authorities.