

# City of Copperas Cove Information Item

August 20, 2013

## Chamber Compilation Report

Contact – Velia Key, Director of Financial Services, 547-4221

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**SUBJECT: Copperas Cove Chamber of Commerce Compilation Report.**

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### **1. BACKGROUND/HISTORY**

The signed agreement between the City of Copperas Cove and the Chamber of Commerce states that the Chamber will engage an independent certified public accountant to perform an attestation engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA).

The purpose of the engagement is to provide assurance to the City of Copperas Cove that tourism expenditures made from funds provided by the City of Copperas Cove have been spent in accordance with statues pertaining to the use of hotel occupancy tax dollars.

### **2. FINDINGS/CURRENT ACTIVITY**

In accordance with the signed agreement on October 23, 2008, the Chamber is required to provide a report presenting the expenditures along with the Independent Certified Public Accountants' Opinion. This report should be provided to the entire City Council. Attached for your review is the 2012 Accountant's Compilation Report from Lott, Vernon, & Company, P.C.

### **3. FINANCIAL IMPACT**

None.

UNAUDITED FINANCIAL STATEMENTS

FOR THE TWELVE MONTHS  
ENDED DECEMBER 31, 2012

COPPERAS COVE CHAMBER OF COMMERCE  
204 E. ROBERTSON AVE.  
COPPERAS COVE, TX 76522



**LOTT, VERNON & COMPANY, P.C.**

CERTIFIED PUBLIC ACCOUNTANTS

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*Member of  
American Institute & Texas Society of  
Certified Public Accountants*

ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors  
Copperas Cove Chamber of Commerce  
204 E. Robertson Ave.  
Copperas Cove, TX 76522

We have compiled the accompanying statement of financial position –income tax basis –of Copperas Cove Chamber of Commerce (a non – profit organization) as of December 31, 2012 and the related statement of activities and net assets –income tax basis, and the supporting schedule of tourism expenditures for the twelve months then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the income tax basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the income tax basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the income tax basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Organization's financial position, changes in net assets, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

May 7, 2013

Copperas Cove Chamber of Commerce  
Statement of Financial Position - Income Tax Basis  
December 31, 2012

<b>Assets</b>	
Current Assets	
Cash In Banks	\$ 85,586
Securities - Edward Jones	\$ 5,702
Total Cash	<u>91,288</u>
Accounts Receivable	<u>67,490</u>
Fixed Assets	
Equipment & Signage	47,094
Building	127,915
Land	3,742
Storage Building	6,000
Accumulated Depreciation	(108,924)
Total Fixed Assets	<u>75,827</u>
Total Assets	<u><u>\$ 234,605</u></u>
<b>Liabilities And Net Assets</b>	
Current Liabilities	
Accounts Payable	\$ -
Payroll Taxes Payable	3,871
Current Portion - Extraco	5,737
Total Current Liabilities	<u>9,608</u>
Long Mortgage Payable Extraco	44,299
Less Current Portion	<u>(5,737)</u>
Total Long Term Liabilities	<u>38,563</u>
Total Liabilities	48,171
Net Assets	<u>186,434</u>
Total Liabilities And Net Assets	<u><u>\$ 234,605</u></u>

See Accountants' Compilation Report

Copperas Cove Chamber of Commerce  
Statement of Activities and Net Assets - Income Tax Basis  
For The Twelve Months Ended December 31, 2012

Unrestricted Net Asset		
Support Programs		
Annual Banquet	8,737	
Ambassadors	760	
Military Affairs	14,443	
Downtown Committee Activities	-	
Joint Image	5,000	
Donations	80	
Tourism (Hotel Motel Tax)	90,750	
Total Programs	<u>119,770</u>	
Fundraisers		
Rabbit Fest	120,103	
Krist Kindle Market	14,033	
Carnival and Other Fund Raisers	6,068	
Bike Tours	11,607	
Total Fundraisers	<u>151,812</u>	
General		
Membership Services	92,775	
Interest	154	
Miscellaneous	12,514	
Total General	<u>105,443</u>	
Total Support	<u>377,025</u>	
Expenses		
Programs		
Military Affairs	10,101	
Membership Expense	9,178	
Ambassador Expense	834	
Joint Image	5,000	
Community Activities	8,185	
Total Programs	<u>33,299</u>	
Fundraisers		
Rabbit Fest	60,324	
Krist Kindl Market	11,107	
Carnival and Other Fund Raisers	3,943	
Total Fundraisers	<u>75,374</u>	
Tourism Events		
Texas Music Jam	-	
Bike and Run	17,922	
Tourism Advertising	12,953	
Tourism - Other	17,530	
Total Tourism Events	<u>48,404</u>	

General	
Advertising	500
Auto Expense	1,858
Bank Expense	1,927
Depreciation	9,526
Dues and Subscriptions	916
Employee Appreciation	-
Employee Health Insurance	7,552
Equipment Rental	4,229
Insurance	4,779
Interest	2,790
Internet	936
Office	2,725
Payroll Costs	98,723
Postage and Printing	3,206
Property Taxes	3,446
Repair and Maintenance	4,761
Supplies	4,507
Telephone	3,498
Travel and Training	3,483
Utilities	3,428
Total General	<u>162,789</u>
Total Expenses	<u>319,866</u>
Increase In Unrestricted Assets	57,159
Net Assets Beginning Of The Year	<u>129,275</u>
Net Assets End Of The Year	<u>186,434</u>