

Martinsburg-Berkeley County CVB Profit & Loss

July 2022 through June 2023

	Jul '22 - Jun 23
Ordinary Income/Expense	
Income	
Hotel/motel occupancy taxes	
City-hotel occupancy tax	339,724.12
County-hotel occupancy tax	507,568.85
	847,292.97
Total Hotel/motel occupancy taxes	847,292.97
Interest income	27,121.79
Other income	235.40
Retail sales	3,378.49
	878,028.65
Total Income	878,028.65
Gross Profit	878,028.65
Expense	
Advertising expense	
Billboards	7,100.00
Broadcast	
TV	13,500.00
	13,500.00
Total Broadcast	13,500.00
Graphic Design	2,680.00
Internet Advertising	73,250.00
Magazine Ads	222,895.93
Miscellaneous	9,051.00
Printing	29,624.05
Regional newspapers	35,704.00
Web site	4,553.80
	398,358.78
Total Advertising expense	398,358.78
Community Sponsorships	
Docent Program	4,864.00
Media Grant Disbursements	2,500.00
Seed Grant	30,000.00
Support Grant Disbursements	9,500.00
	46,864.00
Total Community Sponsorships	46,864.00
Event expenses	
Meals	323.50
Supplies	138.13
	461.63
Total Event expenses	461.63

Martinsburg-Berkeley County CVB Profit & Loss

07/20/23

Accrual Basis

July 2022 through June 2023

	Jul '22 - Jun 23
Geocaching	
Special Event Promotions	6,278.78
Total Geocaching	6,278.78
Insurance	
Health	11,824.00
Total Insurance	11,824.00
Operating expenses	
Copier	2,943.57
Credit Card Fees	834.88
Dues & subscription	13,961.10
Electricity	3,395.00
Entertainment	200.45
Fire, Water, Garbage	70.15
Gas	3,063.20
Moving, repairs & maintenance	554.46
Office supplies	6,861.91
Parking	1,600.00
Postage	7,381.97
Professional fees	7,537.50
Rent	9,057.01
Operating expenses - Other	549.00
Total Operating expenses	58,010.20
Payroll	
FICA tax - employer	12,296.48
HSA Employee Benefit	2,800.00
Salaries and wages	149,464.90
State unemployment tax expense	737.96
Workers' compensation	415.00
Payroll - Other	12,573.43
Total Payroll	178,287.77
Promotional items	
Gift shop	8,533.58
Promotional materials	2,781.45
Total Promotional items	11,315.03
Reconciliation Discrepancies	-2,888.59

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07/20/23

Accrual Basis

Martinsburg-Berkeley County CVB Profit & Loss

July 2022 through June 2023

	<u>Jul '22 - Jun 23</u>
Seminars & travel	
Car Rental	1,136.58
Gas	336.25
Lodging	3,271.16
Meals	402.54
Mileage	51.88
Registration	1,654.93
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Total Seminars & travel	6,853.34
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Total Expense	715,364.94
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Net Ordinary Income	162,663.71
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Net Income	162,663.71

Martinsburg-Berkeley County CVB Balance Sheet

As of June 30, 2023

	Jun 30, 23
ASSETS	
Current Assets	
Checking/Savings	
Checking - CNB	27,947.28
ICS Account - City National	941,289.78
Total Checking/Savings	969,237.06
Total Current Assets	969,237.06
TOTAL ASSETS	969,237.06
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Payroll liabilities	
Federal withholding payable	1,575.00
Fica withheld payable	2,137.30
HSA Employee Benefit	300.00
Medicare withheld payable	549.84
WV state tax withheld	835.00
WV unemployment	220.05
Total Payroll liabilities	5,617.19
Sales tax payable	-484.77
Total Other Current Liabilities	5,132.42
Total Current Liabilities	5,132.42
Total Liabilities	5,132.42
Equity	
Retained earnings	270,557.80
Unrestricted net assets	530,883.13
Net Income	162,663.71
Total Equity	964,104.64
TOTAL LIABILITIES & EQUITY	969,237.06

MARTINSBURG-BERKELEY COUNTY CONVENTION AND VISITORS' BUREAU

FINANCIAL STATEMENTS

JUNE 30, 2023

MARTINSBURG-BERKELEY COUNTY CONVENTION AND VISITORS' BUREAU

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J. DAVIS, CPA
ACCOUNTING CORPORATION
PO BOX 30
INWOOD, WV 25428

JLDAVISCPA@COMCAST.NET

(304)901-9352

INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS

The Board of Directors
MARTINSBURG-BERKELEY COUNTY CONVENTION AND VISITORS' BUREAU
MARTINSBURG, WV

Opinion

We have audited the accompanying financial statements of the governmental activities and major fund of MARTINSBURG-BERKELEY COUNTY CONVENTION AND VISITORS' BUREAU ("Bureau") as of June 30, 2023, and the notes to the financial statements, which collectively comprise the Bureau's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of MARTINSBURG-BERKELEY COUNTY CONVENTION AND VISITORS' BUREAU as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of MARTINSBURG-BERKELEY COUNTY CONVENTION AND VISITORS' BUREAU and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about MARTINSBURG-BERKELEY COUNTY CONVENTION AND VISITORS' BUREAU's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 MARTINSBURG-BERKELEY COUNTY CONVENTION AND VISITORS' BUREAU's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about MARTINSBURG-BERKELEY COUNTY CONVENTION AND VISITORS' BUREAU's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Management has omitted the Management Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 15, 2023, on our consideration of the Bureau's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the MARTINSBURG-BERKELEY COUNTY CONVENTION AND VISITORS' BUREAU's internal control over financial reporting and compliance.

J. Davis CPA-AC

INWOOD, WV
September 15, 2023

MARTINSBURG-BERKELEY COUNTY CONVENTION AND VISITORS' BUREAU
STATEMENT OF NET POSITION
JUNE 30, 2023

	<u>Governmental Activities</u>
ASSETS	
Cash and equivalents	\$ 982,611
Hotel and motel taxes receivable	<u>75,142</u>
Total Assets	<u>\$ 1,057,753</u>
LIABILITIES	
Accounts payable	\$ 23,315
Accrued expenses	<u>5,617</u>
Total Liabilities	<u>28,932</u>
NET POSITION	
Unrestricted	<u>1,028,821</u>
Total Net Position	<u>1,028,821</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 1,057,753</u>

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

MARTINSBURG-BERKELEY COUNTY CONVENTION AND VISITORS' BUREAU
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Expenses</u>	<u>Program Revenues</u> <u>Operating Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Position</u> <u>Governmental Activities</u>
Governmental Activities			
Culture and Recreation	\$ 725,306	\$ -	\$ (725,306)
Total Governmental Activities	<u>\$ 725,306</u>	<u>\$ -</u>	<u>(725,306)</u>
General Revenues			
County hotel / motel occupancy tax			546,468
City hotel / motel occupancy tax			375,968
Other income			235
Interest income			27,122
Retail sales			<u>2,894</u>
Total general revenues			<u>952,687</u>
Change in Net Position			227,381
Net Position - Beginning of Year			<u>801,440</u>
Net Position - End of Year			<u>\$ 1,028,821</u>

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

MARTINSBURG-BERKELEY COUNTY CONVENTION AND VISITORS' BUREAU
BALANCE SHEET - GENERAL FUND
JUNE 30, 2023

ASSETS

Cash and equivalents	\$ 982,610
Hotel and motel taxes receivable	<u>75,142</u>
Total Assets	<u>\$ 1,057,752</u>

LIABILITIES

Accounts payable	\$ 23,315
Accrued expenses	<u>5,617</u>
Total Liabilities	<u>28,932</u>

FUND BALANCE

Unrestricted	<u>1,028,821</u>
Total Fund Balance	<u>1,028,821</u>

TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 1,057,753</u>
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The accompanying notes are an integral part of these financial statements.

**MARTINSBURG-BERKELEY COUNTY CONVENTION AND VISITORS' BUREAU
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023**

REVENUES

County hotel / motel occupancy tax	\$ 546,468
City hotel / motel occupancy tax	375,968
Other income	235
Interest income	27,122
Retail sales	2,894
Total Revenues	<u>952,687</u>

EXPENDITURES

Advertising	409,004
Event expenses	462
Geocaching expenses	6,279
Salaries and wages	162,038
Payroll taxes	12,296
Employee benefits	15,777
Other operating expenses	55,604
Seminars and travel	6,178
Grants to others	57,668
Total Expenditures	<u>725,306</u>
Net Change in Fund Balance	227,381
Fund Balance - Beginning of Year	<u>801,440</u>
Fund Balance - End of Year	<u>\$ 1,028,821</u>

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

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2023

REPORTING ENTITY

Martinsburg-Berkeley County Convention and Visitors' Bureau, Inc. ("Bureau") was incorporated on May 28, 1993. The Bureau's mission is to encourage, develop and promote tourism in Berkeley County and the City of Martinsburg and to provide services for tourists within the city and county. This mission is accomplished through promotional and publicity materials, providing locations devoted to tourist information and participating in special events and projects to enhance tourism. The Board of Directors consists of individuals appointed by the Berkeley County Commission and the Martinsburg City Council plus one individual selected from the community by the appointed members. Accordingly, the Bureau is considered a governmental-type entity for financial reporting purposes.

The Bureau relies on financial support from the hotel occupancy tax collected by Berkeley County and the City of Martinsburg to fund its operations. In accordance with Section 7, Article 18 of the Code of West Virginia, 50% of hotel occupancy taxes collected by the Berkeley County Commission and the City of Martinsburg are appropriated for the purpose of supporting the Bureau.

The Bureau's financial statements include the accounts of all of the Bureau's operations. The criteria for including organizations as component units within the Bureau's reporting entity, as set forth by the Governmental Accounting Standards Board's ("GASB") Codification of Government Accounting and Financial Reporting Standards, include:

- 1.) Financial interdependency
- 2.) Selection of governing authority
- 3.) Designation of management
- 4.) Ability to significantly influence operations
- 5.) Accountability of fiscal matters

Based upon the application of these criteria, there were no additional units of government included as part of the reporting entity and the Martinsburg-Berkeley County Convention and Visitors' Bureau is considered to be a separate reporting entity.

BASIS OF PRESENTATION, MEASUREMENT FOCUS, BASIS OF ACCOUNTING

Government-Wide Financial Statements: The Bureau's government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of governmental activities for the Bureau.

The basic financial statements are presented on an economic resources measurement focus and the accrual basis of accounting. Accordingly, all of the Bureau's assets and liabilities, including capital assets and long-term liabilities are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period the liability is incurred.

Governmental-Fund Financial Statements: The Bureau's Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures, and Change in Fund Balance for its only fund. An accompanying schedule is presented to reconcile and explain the differences in fund balances as presented in these statements to the net position presented in the Government-Wide Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2023

BASIS OF PRESENTATION, MEASUREMENT FOCUS, BASIS OF ACCOUNTING (Continued)

All governmental funds are accounted for on a current financial resources measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balance presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when cash is received, except the revenues subject to accrual, which are recognized when due. Expenditures are recorded in the accounting period in which the related liability is incurred. General capital asset acquisitions are reported as expenditures in the governmental fund. Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences created by the different measurement focus and basis of accounting.

The Bureau defines "available" for purposes of revenue recognition in the governmental fund financial statements to be 60 days.

Governmental Fund Type

General Fund: The General Fund is the operating fund of the Bureau. It is used to account for all financial resources except those required to be accounted for by another fund. Currently, there are no financial resources required to be accounted for by another fund.

Budgets and Budgetary Accounting

The Bureau is not required by law to prepare an annual budget. Thus, a comprehensive analysis of actual to budgeted amounts is not presented in the accompanying financial statements.

Cash and Cash Equivalents

The Bureau considers all highly liquid instruments purchased with an original maturity of three months or less to be cash equivalents.

Property, Equipment and Depreciation

All property and equipment purchases with a cost in excess of \$5,000 and with a useful life in excess of one year are recorded at cost. Donated equipment is recorded at the acquisition value of the assets at the date of donation. Depreciation is computed by the straight-line method over the estimated useful lives of the respective assets. The Bureau owns no property and equipment meeting this criterion as of June 30, 2023.

Inventories

The Bureau considers inventories of materials and supplies utilized in the governmental fund as expended at the time of purchase. Therefore, they do not appear in the Bureau's financial statements.

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2023

BASIS OF PRESENTATION, MEASUREMENT FOCUS, BASIS OF ACCOUNTING (Continued)

Vacation and Sick Pay

Employees of the Bureau are entitled to vacation in accordance with the length of service which, to the extent earned, is accrued as an expense and liability. Management has deemed this liability immaterial to the financial statements and, accordingly, no liability has been recorded.

Net Position

Net Position is displayed in three components:

Net investment in capital assets: Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes or other borrowings attributable to the acquisition, construction or improvement of those assets.

Restricted net position: Consists of net position with constraints placed on the use of either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments, or (2) law through constitutional provisions or enabling legislature.

Unrestricted net position – All other net position that does not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

The Bureau has adopted a revenue spending policy that provides guidance for programs with multiple revenue sources. For purposes of net position classification, expenses are to be paid from restricted net position first, and then unrestricted net position.

Fund Balances

In the governmental fund financial statements, fund balances are reported in five classifications:

Nonspendable fund balance: Inventories and prepaid amounts represent fund balances amounts that are not in spendable form.

Restricted: The restricted category is the portion of fund balance that is externally imposed by creditors, grantors, contributors or laws or regulations. It is also imposed by law through constitutional provisions or enabling legislation.

Committed: The committed category is the portion of fund balance whose use is constrained by limitations that have been approved by an order of the Board (the highest level of action) of the Bureau, and that remain binding unless removed in the same manner. The approval does not automatically lapse at the end of the fiscal year.

Assigned: The assigned category is the portion of fund balance that has been approved by formal action of the Bureau to assign amounts for any amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed.

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2023

BASIS OF PRESENTATION, MEASUREMENT FOCUS, BASIS OF ACCOUNTING (Continued)

Fund Balances (Continued)

Unassigned: The unassigned category is the portion of the fund balance that has not been reported in any other classification. Only the general fund can report a positive amount of unassigned fund balance. However, any government fund in a deficit position could report a negative amount of unassigned fund balance.

The Bureau has adopted a revenue spending policy that provides guidance for programs with multiple revenue sources. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance, and lastly unassigned fund balance. The Board has the authority to deviate from this policy if it is in the best interest of the government.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources until that time.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 expenditures during the period. Actual results could differ from those estimates.

CASH AND CASH EQUIVALENTS

Cash and deposits presented in the accompanying financial statements were held with banking institutions in either checking or an insured cash sweep account, where funds are held in other institutions in trust to obtain FDIC insurance coverage. Accordingly, there were no deposits in excess of FDIC insurance coverage as of June 30, 2023.

LEASES

In 2014, the Bureau entered into a one-year lease agreement for office space with the Berkeley County Historical Society. The lease agreement called for payments of \$500 per month. Since the expiration of the initial lease term, the lease has been on a month-to-month basis. There have been no changes to the monthly lease payments since inception. Management considers this lease a short-term lease for purposes of GASB 87.

In 2013, the Bureau entered into a month-to-month lease agreement for a storage unit. The current lease payment is \$161 per month. Management considers this lease a short-term lease for purposes of GASB 87.

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2023

RISK MANAGEMENT

The Bureau is exposed to various risks of loss related to torts, theft, or damage to and destruction of assets; errors and omissions; injuries to employees; and natural disaster. The Bureau maintains general commercial liability, blanket accident, and workers compensation insurance through private companies as part of its risk management program.

EMPLOYEES' RETIREMENT SYSTEM

The governing body of the Martinsburg-Berkeley County Convention and Visitors' Bureau has declined to become a participant in the Public Employees' Retirement System (PERS) as of June 30, 2023.

CONCENTRATIONS

The Bureau's main funding is derived from hotel / motel occupancy tax. Any significant changes with respect to the hotel / motel occupancy tax rates, the required allocations of these tax revenues, or the local travel industry may have a significant impact on the Bureau's ability to continue as a going concern.

SUBSEQUENT EVENTS

As a result of the COVID-19 pandemic, economic uncertainties have arisen which have negatively impacted financial results. The pandemic has caused business disruption through mandated and voluntary closings of non-essential business activities. While non-essential business activities have resumed, there remains considerable uncertainty regarding the nature and duration of the pandemic. The long-term financial impact cannot be reasonably estimated at this time.

The Bureau has evaluated subsequent events through September 15, 2023, which is the date that the financial statements were available to be released.

J. DAVIS, CPA
ACCOUNTING CORPORATION
PO BOX 30
INWOOD, WV 25428

JLDAVISCPA@COMCAST.NET

(304)901-9352

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
MARTINSBURG-BERKELEY COUNTY CONVENTION AND VISITORS' BUREAU
MARTINSBURG, WV

We have audited, in accordance with the 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, the financial statements of governmental activities and the major fund of MARTINSBURG-BERKELEY COUNTY CONVENTION AND VISITORS' BUREAU (the "Bureau"), which comprise the statement of financial position as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Bureau's financial statements, and have issued our report thereon dated September 15, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Bureau's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Bureau's internal control. Accordingly, we do not express an opinion on the effectiveness of the Bureau's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Bureau's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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 or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Bureau's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Bureau's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

J. Davis, CPA-AC

September 15, 2023

Inwood, WV

MARTINSBURG-BERKELEY COUNTY CONVENTION AND VISITORS' BUREAU

STATUS OF PRIOR YEAR FINDINGS

JUNE 30, 2023

FINDING 2022-001 – Significant Deficiency - Bank Statement Reconciliations - CORRECTED