

**DANVILLE-BOYLE COUNTY ECONOMIC
DEVELOPMENT PARTNERSHIP, INC.**

INDEPENDENT AUDITOR'S REPORT

JUNE 30, 2009

Craig A. Butler

Certified Public Accountant

Danville, Kentucky

Danville-Boyle County Economic Development Partnership, Inc.
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Independent Auditor's Report

To the Board of Directors
Danville-Boyle County Economic
Development Partnership, Inc.
Danville, Kentucky

I have audited the accompanying statement of assets, liabilities, and net assets – modified cash basis of the Danville-Boyle County Economic Development Partnership, Inc. (a nonprofit organization) as of June 30, 2009, and the related statement of revenues, expenses, and other changes in net assets – modified cash basis for the year then ended. These financial statements are the responsibility of the Partnership's management. My responsibility is to express my opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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. I believe my audit provide a reasonable basis for my opinion.

As described in Note II, 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 my opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of the Danville-Boyle County Economic Development Partnership, Inc. as of June 30, 2009, and its support, revenue, and expenses for the year then ended, on the basis of accounting described in Note II.

Craig A. Butler, CPA

Craig A. Butler
Certified Public Accountant

Danville, Kentucky
May 3, 2010

Danville-Boyle County Economic Development Partnership, Inc.
Statement of Assets, Liabilities, and Net Assets - Modified Cash Basis
June 30, 2009

	<u>2009</u>
<u>Assets</u>	
Cash	\$ <u>10,785</u>
 Total Assets	 \$ <u><u>10,785</u></u>
 <u>Liabilities & Net Assets</u>	
Liabilities:	
Payroll Related Liabilities	\$ <u>4,118</u>
Total Liabilities	<u>4,118</u>
Total Liabilities	<u>4,118</u>
Net Assets:	
Unrestricted Net Assets	<u>6,667</u>
Total Net Assets	<u>6,667</u>
Total Liabilities & Net Assets	\$ <u><u>10,785</u></u>

See accompanying notes to financial statements.

Danville-Boyle County Economic Development Partnership, Inc.
Statement of Revenues, Expenses, and Other Changes in Net Assets -
Modified Cash Basis
Year Ended June 30, 2009

	2009
Revenues:	
Local Government Funding	\$ 210,000
Boyle County Industrial Foundation	75,000
Heart of Danville Membership Revenue	14,353
Contributions	76,090
Interest Income	100
Other Income	460
Total Revenues	376,003
Expenses:	
Payroll	125,583
Payroll Taxes	14,258
Employee Benefits	18,301
Heart of Danville Funding	136,069
Perryville Main Street Funding	18,250
Rent	3,850
Equipment Lease	8,354
Telephone & Internet	3,565
Marketing & Promotion	60,845
Travel and Related	2,190
Professional Development	3,197
Dues and Subscriptions	870
Insurance	612
Legal and Professional	3,065
Office Supplies	1,712
Board Expenses	436
Miscellaneous	876
Total Expenses	402,033
Change in Unrestricted Net Assets	(26,030)
Unrestricted Net Assets, Beginning of Period	32,697
Unrestricted Net Assets, End of Period	\$ 6,667

See accompanying notes to financial statements.

Danville-Boyle County Economic Development Partnership, Inc.
Notes to the Financial Statements
June 30, 2009

Note I - General

The Danville-Boyle County Economic Development Partnership, Inc. is a Kentucky not-for-profit corporation whose purpose is to coordinate and work with partner organizations to establish short and long-range plans for economic development, and to serve as a catalyst for plan development and implementation.

The primary revenue sources of the entity consist of funding received from the City of Danville, Boyle County Fiscal Court, and the Boyle County Industrial Foundation.

Note II - Summary of Significant Accounting Policies

(A) Basis of Accounting

The financial statements of the Danville-Boyle County Economic Development Partnership, Inc. have been prepared on the modified cash basis of accounting. Under the modified cash basis, revenues are recorded when received rather than when earned or promised, and certain expenses and purchases of assets are recognized when cash is disbursed rather than when the obligation is incurred.

(B) Cash and Cash Equivalents

The Partnership considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

(C) Prepaid Expenses

Amounts paid for periods beyond the fiscal year have been recorded as prepaid expenses in the financial statements. There were no prepaid items as of June 30, 2009.

(D) Investments

The Partnership does not own any investments as of the end of the fiscal year.

(E) Contributed Services

During the year ended June 30, 2009, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded.

Danville-Boyle County Economic Development Partnership, Inc.
Notes to the Financial Statements
June 30, 2009

(F) Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501 (c) (3) of the Internal Revenue Code.

Note III - Concentration of Credit Risk for Cash Held in Bank

At June 30, 2009, the Partnership's cash in bank was covered 100% by FDIC insurance.

Note IV - Operating Lease Commitments

The Partnership leases its office space from the McClure-Barbee House on a month-to-month basis at a cost of \$350 per month.

The Partnership currently leases its copier/printer at a cost of \$537 per month, and its computers at a cost of \$204 per month.

Note V - Concentrations of Risk

For the year ended June 30, 2009, the entity received 56% of its revenues from two government agencies.