

FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORTS

TAMPA BAY CONVENTION & VISITORS BUREAU, INC.

d/b/a VISIT TAMPA BAY

September 30, 2014 and 2013

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Tampa Bay Convention & Visitors Bureau, Inc. d/b/a Visit Tampa Bay
Tampa, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of Tampa Bay Convention & Visitors Bureau, Inc. d/b/a Visit Tampa Bay (a nonprofit organization), which comprise the statements of financial position as of September 30, 2014 and 2013, and the related statements of activities and changes in net assets, cash flows, and functional expenses for the years 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 accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of 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 auditors' 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.

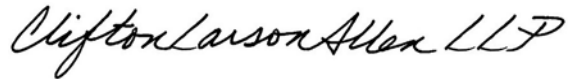
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Tampa Bay Convention & Visitors Bureau, Inc. d/b/a Visit Tampa Bay as of September 30, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 14, 2015, on our consideration of Tampa Bay Convention & Visitors Bureau, Inc. d/b/a Visit Tampa Bay'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 result 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 Tampa Bay Convention & Visitors Bureau, Inc. d/b/a Visit Tampa Bay's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Tampa, Florida
January 14, 2015

Tampa Bay Convention & Visitors Bureau, Inc.
d/b/a Visit Tampa Bay

STATEMENTS OF FINANCIAL POSITION

September 30,

	<u>2014</u>	<u>2013</u>
ASSETS		
Cash	\$2,921,391	\$2,637,302
Accounts receivable		
Local government	255,467	549,464
Membership	7,891	22,725
Other	221,404	232,379
Inventory	72,643	48,279
Prepaid expenses and other assets	<u>45,001</u>	<u>76,622</u>
Total current assets	3,523,797	3,566,771
Furniture, equipment and leasehold improvements, net of accumulated depreciation and amortization	<u>320,322</u>	<u>394,633</u>
TOTAL ASSETS	<u>\$3,844,119</u>	<u>\$3,961,404</u>
LIABILITIES AND NET ASSETS		
Accounts payable	\$ 961,342	\$ 951,659
Accrued expenses	660,813	582,971
Unearned revenue		
Membership	258,175	251,012
Other	<u>55,155</u>	<u>87,122</u>
Total current liabilities	<u>1,935,485</u>	<u>1,872,764</u>
Commitments and contingencies	-	-
Net assets - unrestricted	<u>1,908,634</u>	<u>2,088,640</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$3,844,119</u>	<u>\$3,961,404</u>

The accompanying notes are an integral part of these statements.

Tampa Bay Convention & Visitors Bureau, Inc.
d/b/a Visit Tampa Bay

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

For the years ended September 30,

	<u>2014</u>	<u>2013</u>
REVENUES		
Government contracts	\$ 10,200,000	\$ 8,510,297
Membership dues	539,169	549,749
Membership events	207,648	211,601
Promotional partnerships	498,142	341,559
Registration and housing	90,332	122,599
Management fee income	577,122	605,106
Visitor information center	165,701	122,839
In-kind contributions	<u>519,132</u>	<u>501,288</u>
Total revenues	<u>12,797,246</u>	<u>10,965,038</u>
EXPENSES		
Sales, marketing and public relations	11,266,639	8,652,801
Convention and visitor services	1,206,263	1,073,855
Membership services	<u>504,350</u>	<u>643,034</u>
Total expenses	<u>12,977,252</u>	<u>10,369,690</u>
Change in net assets	<u>(180,006)</u>	<u>595,348</u>
Net assets, beginning of year	<u>2,088,640</u>	<u>1,493,292</u>
Net assets, end of year	<u><u>\$ 1,908,634</u></u>	<u><u>\$ 2,088,640</u></u>

The accompanying notes are an integral part of these statements.

Tampa Bay Convention & Visitors Bureau, Inc.
d/b/a Visit Tampa Bay

STATEMENTS OF CASH FLOWS

For the years ended September 30,

	<u>2014</u>	<u>2013</u>
Cash flows from operating activities		
Change in net assets	\$ (180,006)	\$ 595,348
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	161,826	136,632
Decrease in accounts receivable	319,806	922,983
(Increase) decrease in inventory	(24,364)	3,521
Decrease (increase) in prepaid expenses and other assets	31,621	(37,530)
Increase in accounts payable and accrued expenses	87,525	251,941
(Decrease) increase in unearned revenue	(24,804)	50,803
Total adjustments	<u>551,610</u>	<u>1,328,350</u>
Net cash provided by operating activities	371,604	1,923,698
Cash flows (used in) investing activities		
Capital expenditures	<u>(87,515)</u>	<u>(266,684)</u>
Net increase in cash	284,089	1,657,014
Cash, beginning of year	2,637,302	980,288
Cash, end of year	<u><u>\$2,921,391</u></u>	<u><u>\$ 2,637,302</u></u>

The accompanying notes are an integral part of these statements.

Tampa Bay Convention & Visitors Bureau, Inc.
d/b/a Visit Tampa Bay

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended September 30, 2014

	Sales, Marketing and Public Relations	Convention & Visitor Services	Membership Services	Administration	Total
Salaries	\$ 2,443,959	\$ 291,143	\$ 158,139	\$ 987,445	\$ 3,880,686
Payroll Taxes	185,169	25,626	12,847	71,175	294,817
Employee benefits	348,483	43,167	24,931	146,772	563,353
Total salaries and related expenses	2,977,611	359,936	195,917	1,205,392	4,738,856
Advertising	2,129,807	-	-	-	2,129,807
Contract services	294,691	83,269	-	8,028	385,988
Cost of good sold	-	73,573	-	-	73,573
Depreciation	92,415	37,634	5,698	26,079	161,826
Event hosting	-	-	167,396	-	167,396
Fulfillment	91,258	-	-	-	91,258
General and administrative	122,312	10,859	7,505	248,452	389,128
In-Kind contributions	324,738	192,624	1,770	-	519,132
Local and community	16,617	4,802	907	94,967	117,293
Promotions	2,171,861	21,676	-	-	2,193,537
Site Visit	315,662	11,116	-	-	326,778
Technology support	266,414	-	9,775	62,476	338,665
Tenancy	382,746	151,319	23,631	101,308	659,004
Tradeshow participation	590,618	-	-	10,702	601,320
Travel	41,298	7,026	2,449	32,918	83,691
Total expenses before overhead allocation	9,818,048	953,834	415,048	1,790,322	12,977,252
Overhead allocation	1,448,591	252,429	89,302	(1,790,322)	-
Total expenses	\$ 11,266,639	\$ 1,206,263	\$ 504,350	\$ -	\$ 12,977,252

The accompanying notes are an integral part of this statement.

Tampa Bay Convention & Visitors Bureau, Inc.
d/b/a Visit Tampa Bay

STATEMENT OF FUNCTIONAL EXPENSES
For the year ended September 30, 2013

	Sales, Marketing and Public Relations	Convention & Visitor Services	Membership Services	Administration	Total
Salaries	\$ 2,208,476	\$ 294,384	\$ 214,113	\$ 830,285	\$ 3,547,258
Payroll Taxes	178,163	26,575	16,326	68,179	289,243
Employee benefits	323,413	40,593	34,348	153,365	551,719
Total salaries and related expenses	2,710,052	361,552	264,787	1,051,829	4,388,220
Advertising	1,825,287	-	-	-	1,825,287
Contract services	278,811	93,620	-	-	372,431
Cost of good sold	-	61,329	-	-	61,329
Depreciation	81,005	31,123	7,354	17,150	136,632
Event hosting	-	87,489	83,294	-	170,783
Fulfillment	82,809	-	-	-	82,809
General and administrative	126,458	13,618	5,429	320,991	466,496
In-Kind contributions	330,028	136,213	35,047	-	501,288
Local and community	116,018	3,587	2,166	39,401	161,172
Promotions	477,021	33,565	-	-	510,586
Site Visit	258,549	6,956	-	-	265,505
Technology support	192,710	-	-	25,393	218,103
Tenancy	365,629	29,113	121,932	74,516	591,190
Tradeshow participation	513,813	-	-	-	513,813
Travel	47,464	6,772	9,800	40,010	104,046
Total expenses before overhead allocation	7,405,654	864,937	529,809	1,569,290	10,369,690
Overhead allocation	1,247,147	208,918	113,225	(1,569,290)	-
Total expenses	\$ 8,652,801	\$ 1,073,855	\$ 643,034	\$ -	\$ 10,369,690

The accompanying notes are an integral part of this statement.

Tampa Bay Convention & Visitors Bureau, Inc.
d/b/a Visit Tampa Bay

NOTES TO FINANCIAL STATEMENTS

September 30, 2014 and 2013

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A description of the organization and a summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follow:

1. Description of the Organization

The Tampa Bay Convention & Visitors Bureau, Inc. d/b/a Visit Tampa Bay (the "Bureau") is a not-for-profit organization located in Tampa, Florida. The Bureau was incorporated on April 19, 1985 for the purpose of generating economic development within Tampa and Hillsborough County, Florida, by promoting the area as a site for conventions and a destination for visitors.

The operations of the Bureau can be broken down into the following divisions, each of which has a specific function as detailed below:

- Sales, Marketing and Public Relations: This division concentrates on promoting Tampa/Hillsborough County as a competitive convention venue in international, national, regional and state marketplaces. This division is also responsible for promoting the area as a leisure destination and targets both the consumer and the travel industry through advertising, promotions, direct sales, and public relations.
- Convention and Visitor Services: This division promotes, facilitates, and coordinates with more than 750 businesses throughout Tampa Bay in order to provide a quality experience to conventions and visitors as the Bureau leads the effort of economic development through tourism.
- Membership Services: This division is responsible for managing membership and developing programs for involvement of community partners in seminars, workshops, special events and other programs of the Bureau.

2. Basis of Accounting

The accompanying financial statements, presented on the accrual basis of accounting, have been prepared to focus on the Bureau as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions.

The Bureau adheres to the provisions of the Financial Accounting Standards Board *Accounting Standards Codification* ("FASB ASC").

FASB ASC 958-205 establishes standards for general purpose external financial statements of not-for-profit organizations and requires a statement of financial position, a statement of activities, and a statement of cash flows.

Tampa Bay Convention & Visitors Bureau, Inc.
d/b/a Visit Tampa Bay

NOTES TO FINANCIAL STATEMENTS – CONTINUED

September 30, 2014 and 2013

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

FASB ASC 958-605 requires the Bureau to distinguish between contributions that increase permanently restricted net assets, temporarily restricted net assets, and unrestricted net assets. It also requires recognition of contributed services meeting certain criteria at fair values. These three classifications are defined as follows:

- Unrestricted net assets – not subject to donor-imposed restrictions or the donor-imposed restrictions have expired.
- Temporarily restricted net assets – subject to donor-imposed stipulations that may be fulfilled by actions of the Bureau to meet the stipulations or become unrestricted by the passage of time. Currently, the Bureau has no temporarily restricted net assets.
- Permanently restricted net assets – subject to donor-imposed stipulations that they be retained and invested permanently by the Bureau. Currently, the Bureau has no permanently restricted net assets.

3. Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

4. Accounts Receivable and Unearned Membership Revenues

Accounts receivable are recorded at estimated net realizable value. None of the accounts receivable at September 30, 2014 and 2013 are deemed to be uncollectible. Therefore, no provision for uncollectible amounts has been made in the accompanying financial statements.

The Bureau currently invoices for membership renewals and event and program sponsorships in advance of the membership renewal date or the date of the event or program. These amounts are recorded in accounts receivable and unearned membership revenues when invoiced. The amount of membership dues deferred is recognized as membership dues revenue ratably on a monthly basis over the membership period. Event and program sponsorships are recognized in revenue in the month of the event or program.

Tampa Bay Convention & Visitors Bureau, Inc.
d/b/a Visit Tampa Bay

NOTES TO FINANCIAL STATEMENTS – CONTINUED

September 30, 2014 and 2013

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

5. Inventory

Inventory consists primarily of souvenirs and promotional goods. Inventory is stated at the lower of cost or market, determined by the weighted average method.

6. Furniture, Equipment and Leasehold Improvements

Furniture and equipment are stated at cost. Depreciation and amortization is computed utilizing the straight-line method over the estimated useful lives (three to five years) of the related assets. As discussed in Note F, the Bureau recorded a reduction in its rent for the cost of certain leasehold improvements in connection with its office lease. In accordance with generally accepted accounting principles, the amount of this allowance has been recorded in fixed assets and rent payable in the accompanying financial statements. Such cost is being amortized over the life of the lease (65 months).

Cost and related accumulated depreciation are removed from the accounts when assets are retired or otherwise disposed. The difference between the net book value of the assets and the proceeds from their disposition is recognized as a gain or loss. Routine maintenance and repairs are charged to expense as incurred, while costs of betterments and renewals are capitalized. It is the Bureau's policy to capitalize expenditures for furniture and equipment having a unit cost in excess of \$1,000.

7. In-Kind and Non-Cash Contributions

In-kind donation items used by the Bureau are recorded as contributions and expenses to the extent that an objective basis is available to measure the value of such items.

Contributed services are recorded as contributions and expenses at their fair value, to the extent they create or enhance non-financial assets or require specialized skills, are provided by individuals or organizations possessing these skills, and would typically need to be purchased if not provided by donations.

A substantial number of volunteers have donated significant amounts of their time and resources toward the objectives of the Bureau; however, no amounts are recorded in the accompanying financial statements for non-specialist services.

8. Income Taxes

The Bureau is incorporated as a not-for-profit organization and is exempt from federal income taxes under Section 501(c)(6) of the Internal Revenue Code. The Bureau is subject to taxation for unrelated business income, which includes income from retail operations. The Bureau has income tax matters that may arise from ongoing operations from time to time, and management would make accruals for those matters where appropriate.

Tampa Bay Convention & Visitors Bureau, Inc.
d/b/a Visit Tampa Bay

NOTES TO FINANCIAL STATEMENTS – CONTINUED

September 30, 2014 and 2013

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT
ACCOUNTING POLICIES – Continued

Income Taxes - continued

The Bureau has adopted the standard for accounting for uncertain tax positions. The Bureau's 2010 through 2014 tax years are open for examination by the Internal Revenue Service (IRS). The Bureau files as a tax-exempt organization. Should that status be challenged in the future, all years since inception could be subject to review by the IRS.

9. Management Fee Income

The Bureau performs management services for the Tampa Bay Sports Commission, Inc. (the Sports Commission), a Florida not-for-profit corporation, in accordance with a management agreement which expired in 2014. The Bureau also provided certain services for the Tampa Hillsborough Economic Development Corporation, Inc. (THEDC), a Florida not-for-profit corporation, in accordance with a shared services agreement, dated December 2010, which expired in 2012. However, THEDC continued to pay such management fees on a month to month basis through March 2014. Management fees received from the Sports Commission were \$550,000 and \$500,000 during the years ended September 30, 2014 and 2013, respectively. Management fees received from THEDC were \$6,000 and \$42,000 during the years ended September 30, 2014 and 2013, respectively. In addition, THEDC paid fees to the Bureau under a Professional Employer Organization (PEO) contract whereby the Bureau provided payroll and payroll related services for a fee. Fees received from THEDC under this contract were \$15,051 and \$41,604 during the years ended September 30, 2014 and 2013, respectively. As discussed below, the Bureau also subleased a portion of its office space to THEDC under a lease that expired in 2012. However, THEDC continued to pay office rent on a month to month basis through March 2014.

10. Advertising Costs

Advertising costs are charged to operations when the advertisement is published. Advertising expense was approximately \$2.1 million and \$1.8 million in the years ended September 30, 2014 and 2013, respectively.

11. Functional Allocation of Expenses

The costs of providing the various programs have been summarized on a functional basis in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs benefited.

Tampa Bay Convention & Visitors Bureau, Inc.
d/b/a Visit Tampa Bay

NOTES TO FINANCIAL STATEMENTS – CONTINUED

September 30, 2014 and 2013

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

12. Related Party Transactions

The Bureau enters into certain promotional partnership and marketing transactions with organizations affiliated with members of the Bureau's Board of Directors. In addition, the Bureau incurred expenses of approximately \$660,000 and \$600,000 during the years ended September 30, 2014 and 2013, respectively, with organizations affiliated with certain members of the Board of Directors.

NOTE B – FURNITURE, EQUIPMENT and LEASEHOLD IMPROVEMENTS

Furniture and equipment consist of the following at September 30:

	2014	2013
Furniture, computers and equipment	\$ 1,039,123	\$ 951,607
Leasehold improvements	241,719	241,719
	1,280,842	1,193,326
Less accumulated depreciation	960,520	798,693
	<u>\$ 320,322</u>	<u>\$ 394,633</u>

NOTE C - EMPLOYEE BENEFIT PLAN

The Bureau maintains a defined contribution 401(k) plan that provides benefits to all participating full time employees who have reached 21 years of age and have completed one year of service. The Bureau's contributions to the plan are equal to 100% of participant contributions to the plan up to 5% of their annual salary, plus a discretionary profit sharing contribution not to exceed 5% of the annual salary of each participant. The Bureau's contributions to the plan approximated \$129,000 and \$134,000 for the years ended September 30, 2014 and 2013, respectively.

Tampa Bay Convention & Visitors Bureau, Inc.
d/b/a Visit Tampa Bay

NOTES TO FINANCIAL STATEMENTS – CONTINUED

September 30, 2014 and 2013

NOTE D - ACCRUED EXPENSES

Accrued expenses and other liabilities consisted of the following at September 30,:

	2014	2013
Accrued payroll	\$ 493,782	\$ 422,958
Accrued paid time off	137,739	124,050
Accrued 401(k) contribution	29,292	35,963
	<u>\$ 660,813</u>	<u>\$ 582,971</u>

NOTE E - GOVERNMENT CONTRACTS

The Bureau received significant funding (approximately 80% and 78% during the years ended September 30, 2014 and 2013, respectively) from contracts with Hillsborough County, Florida to promote Tampa and Hillsborough County as a site for conventions and a destination for visitors. The total revenue earned on these contracts approximated \$10.2 million and \$8.5 million for the years ended September 30, 2014 and 2013, respectively. Under the Bureau's primary contract, which expires in September 2015, funds received from the County are based upon the total tourist development tax collected. The Bureau received \$8.45 and \$8.2 million under this contract for each of the years in the period ended September 30, 2014 and 2013, respectively. The Bureau will receive up to \$8.7 million under this contract in the year ending September 30, 2015.

NOTE F - COMMITMENTS AND CONTINGENCIES

Lease Commitments

The Bureau leases office space in Tampa, Florida under a non-cancelable operating lease agreement that expires in 2017. Rental payments pursuant to this lease approximated \$406,000 and \$443,000 for the years ended September 30, 2014 and 2013, respectively. The Bureau subleased a portion of its office space to THEDC under a lease that expired in 2012. However, THEDC continued to lease the space on a month-to-month basis through March 2014. Rental payments received related to this sublease approximated \$42,000 and \$85,000 during 2014 and 2013, respectively. In addition, the Bureau leases space for a Visitor Center under a lease that expires in April 2017. Rental payments pursuant to this lease approximated \$71,000 and \$77,000 for the years ended September 30, 2014 and 2013, respectively. Under the terms of these leases, rental payments for a portion of 2014 and 2013 were abated. However, the amount of rent abated was charged to rent expense and is included in rent payable in the accompanying financial statements. In addition, under the terms of the leases, the Bureau received an allowance for the cost of tenant improvements to be applied against rent payments. Such allowance has been recorded in leasehold improvements and rent payable in the accompanying financial statements. The

Tampa Bay Convention & Visitors Bureau, Inc.
d/b/a Visit Tampa Bay

NOTES TO FINANCIAL STATEMENTS – CONTINUED

September 30, 2014 and 2013

NOTE F - COMMITMENTS AND CONTINGENCIES - Continued

Lease Commitments – continued

total amount of rent payable (\$341,000 and \$427,000 at September 30, 2014 and 2013, respectively) in the accompanying financial statements will be amortized to reduce rent expense over the remaining life of the lease. The Bureau also leases various equipment under operating leases with terms ranging from two to four years. Rental expenses charged against operations for these equipment leases were approximately \$44,000 and \$47,000 for the years ended September 30, 2014 and 2013, respectively.

The approximate future minimum lease payments, by year and in aggregate, under non-cancelable operating leases with terms of one year or more consist of the following at September 30:

<u>Year ending September 30</u>	<u>Minimum lease payments</u>
2015	\$ 659,403
2016	676,088
2017	583,605
2018	<u>3,647</u>
	<u>\$ 1,922,743</u>

Contract Conditions

Various county contracts require the fulfillment of certain conditions as set forth in the originating contracts. Failure to fulfill the conditions could result in the return of funds related to such contracts. Although this is a possibility, management deems the contingency remote, due to both the nature of the contracts and current conditions. Additionally, the availability of funding under these contracts is subject to change with little or no advance notice.

NOTE G – SUBSEQUENT EVENTS

The Bureau has evaluated events and transactions occurring subsequent to September 30, 2014 as of January 14, 2015, which was the date the financial statements were available to be issued. Subsequent events occurring after January 14, 2015 have not been evaluated by management. No material events have occurred since September 30, 2014 that require recognition or disclosure in the financial statements.

**INDEPENDENT AUDITORS' 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
Tampa Bay Convention & Visitors Bureau, Inc.
Tampa, Florida

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 Tampa Bay Convention & Visitors Bureau, Inc., which comprise the statement of financial position as of September 30, 2014, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 14, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Tampa Bay Convention & Visitors Bureau, Inc.'s internal control over financial reporting (internal control) to determine the 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 Tampa Bay Convention & Visitors Bureau, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Tampa Bay Convention & Visitors Bureau, Inc.'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.

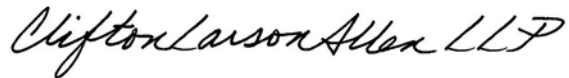
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Tampa Bay Convention & Visitors Bureau, Inc.'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 result of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Tampa, Florida
January 14, 2015