

**NORTHEAST INDIANA REGIONAL  
MARKETING PARTNERSHIP, INC.  
FORT WAYNE, INDIANA**

**CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007**

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## Independent Auditors' Report

To the Board of Directors  
Northeast Indiana Regional Marketing Partnership, Inc. and Subsidiary

We have audited the accompanying consolidated statements of financial position of Northeast Indiana Regional Marketing Partnership, Inc. and subsidiary (nonprofit organizations) as of December 31, 2008 and 2007, and the related consolidated statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these consolidated 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 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. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Northeast Indiana Regional Marketing Partnership, Inc. and subsidiary as of December 31, 2008 and 2007 and the changes in their net assets and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink that reads "Hamil, Lehman & England, P.C." The signature is written in a cursive, flowing style.

Hamil, Lehman & England, P.C.  
Fort Wayne, Indiana  
January 26, 2009

**Northeast Indiana Regional Marketing Partnership, Inc. and Subsidiary**  
**Consolidated Statements of Financial Position**  
**December 31, 2008 and 2007**

**ASSETS**

	<u>2008</u>	<u>2007</u>
<b>Current assets:</b>		
Cash	\$ 1,158,720	\$ 1,361,180
Accounts receivable, trade	46,169	84,085
Accounts receivable, employee	250	-
Prepaid expenses	14,080	5,924
Investments	<u>416,641</u>	<u>55,000</u>
Total current assets	<u>1,635,860</u>	<u>1,506,189</u>
<b>Property and equipment, net</b>	<u>152,359</u>	<u>164,818</u>
<b>Other assets:</b>		
Deposits	24,000	6,180
Deferred assets	<u>774</u>	<u>1,190</u>
Total other assets	<u>24,774</u>	<u>7,370</u>
<b>Total assets</b>	<u>\$ 1,812,993</u>	<u>\$ 1,678,377</u>

**LIABILITIES AND NET ASSETS**

**Current liabilities:**

Bank overdraft	\$ 46,613	\$ -
Accounts payable	34,934	27,635
Accrued expenses	19,765	28,642
Deferred revenue	<u>200</u>	<u>200</u>
Total current liabilities	<u>101,512</u>	<u>56,477</u>

**Net assets:**

Unrestricted	1,583,981	1,516,900
Temporarily restricted	<u>127,500</u>	<u>105,000</u>
Total net assets	<u>1,711,481</u>	<u>1,621,900</u>
<b>Total liabilities and net assets</b>	<u>\$ 1,812,993</u>	<u>\$ 1,678,377</u>

*See accompanying notes.*

**Northeast Indiana Regional Marketing Partnership, Inc. and Subsidiary**  
**Consolidated Statement of Activities**  
**For the Year Ended December 31, 2008**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Revenue:</b>			
Fee for service	\$ 1,147,244	\$ -	\$ 1,147,244
Grant income	360,000	127,500	487,500
Interest income	27,495	-	27,495
Other income	<u>65,873</u>	<u>-</u>	<u>65,873</u>
	1,600,612	127,500	1,728,112
<b>Net assets released from restrictions</b>	<u>105,000</u>	<u>(105,000)</u>	<u>-</u>
<b>Total revenue</b>	<u>1,705,612</u>	<u>22,500</u>	<u>1,728,112</u>
<b>Operating expenses:</b>			
Administration and office operations:			
Automobile	11,187	-	11,187
Bad debt	25,632	-	25,632
Depreciation	32,553	-	32,553
Dues and subscriptions	5,201	-	5,201
Loss on disposal of fixed assets	447	-	447
Insurance	3,392	-	3,392
Internet	-	-	-
IT support and maintenance	3,078	-	3,078
Miscellaneous	37,244	-	37,244
Office supplies	5,262	-	5,262
Postage and shipping	991	-	991
Rent and lease	34,059	-	34,059
Telephone	6,928	-	6,928
Training	8,114	-	8,114
Business development:			
Dues and subscriptions	13,963	-	13,963
Entertainment	9,965	-	9,965
Lead generation	30,417	-	30,417
Miscellaneous	54,564	-	54,564
Sponsorships	7,500	-	7,500
Travel	47,587	-	47,587
Capacity building:			
Local Economic Development Organization meetings and activities	12,207	-	12,207
Miscellaneous	16,221	-	16,221
Regional economic development forum	47,781	-	47,781
Grants:			
Other programs	127,687	-	127,687
Outside organizations	79,909	-	79,909
Regional partnership grants	-	-	-

*See accompanying notes.*

**Northeast Indiana Regional Marketing Partnership, Inc. and Subsidiary**  
**Consolidated Statement of Activities, continued**  
**For the Year Ended December 31, 2008**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Indiana Economic Development Corporation partnership:			
Miscellaneous	\$ -	\$ -	\$ -
Outside sales	14,626	-	14,626
Marketing:			
Development materials	51,429	-	51,429
Marketing activities	3,806	-	3,806
Plan deployment	34,220	-	34,220
Plan development	179,933	-	179,933
Plan project management	-	-	-
Personnel:			
Benefits	52,523	-	52,523
Payroll administration	7,556	-	7,556
Salaries and wages	521,548	-	521,548
Taxes – payroll	38,878	-	38,878
Professional services:			
Accounting	4,349	-	4,349
Consulting	3,430	-	3,430
Legal	6,511	-	6,511
Recruiting	-	-	-
Regional communications:			
Communications	5	-	5
Investor relations	12,082	-	12,082
Miscellaneous	24,848	-	24,848
Target industry development:			
CRI services	-	-	-
Facilitators	-	-	-
Miscellaneous	-	-	-
Strategies	1,522	-	1,522
Website:			
Development	11,020	-	11,020
Project management	<u>48,356</u>	<u>-</u>	<u>48,356</u>
Total operating expenses	<u>1,638,531</u>	<u>-</u>	<u>1,638,531</u>
<b>Change in net assets</b>	67,081	22,500	89,581
<b>Net assets – beginning of year</b>	<u>1,516,900</u>	<u>105,000</u>	<u>1,621,900</u>
<b>Net assets – end of year</b>	<u>\$ 1,583,981</u>	<u>\$ 127,500</u>	<u>\$ 1,711,481</u>

See accompanying notes.

**Northeast Indiana Regional Marketing Partnership, Inc. and Subsidiary**  
**Consolidated Statement of Activities, continued**  
**For the Year Ended December 31, 2007**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Revenue:</b>			
Fee for service	\$ 1,147,590	\$ -	\$ 1,147,590
Grant income	210,000	105,000	315,000
In-kind contributions	5,000	-	5,000
Interest income	48,268	-	48,268
Other income	<u>61,603</u>	<u>-</u>	<u>61,603</u>
 Total revenue	 <u>1,472,461</u>	 <u>105,000</u>	 <u>1,577,461</u>
<b>Operating expenses:</b>			
Administration and office operations:			
Automobile	12,900	-	12,900
Bad debt	5,924	-	5,924
Depreciation	22,934	-	22,934
Loss on disposal of fixed assets	738	-	738
Insurance	2,921	-	2,921
Internet	88	-	88
IT support and maintenance	3,468	-	3,468
Miscellaneous	9,510	-	9,510
Office supplies	5,044	-	5,044
Postage and shipping	1,821	-	1,821
Rent and lease	31,626	-	31,626
Telephone	7,221	-	7,221
Training	6,237	-	6,237
Business development:			
Dues and subscriptions	2,013	-	2,013
Entertainment	713	-	713
Lead generation	1,564	-	1,564
Miscellaneous	6,665	-	6,665
Sponsorships	5,000	-	5,000
Travel	17,622	-	17,622
Capacity building:			
Local Economic Development Organization meetings and activities	11,311	-	11,311
Miscellaneous	2,513	-	2,513
Regional economic development forum	36,964	-	36,964
Grants:			
Other programs	29,872	-	29,872
Outside organizations	49,083	-	49,083
Regional partnership grants	17,500	-	17,500

*See accompanying notes.*

**Northeast Indiana Regional Marketing Partnership, Inc. and Subsidiary**  
**Consolidated Statement of Activities, continued**  
**For the Year Ended December 31, 2007**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Indiana Economic Development Corporation partnership:			
Miscellaneous	\$ 541	\$ -	\$ 541
Outside sales	27,087	-	27,087
Marketing:			
Development materials	77,755	-	77,755
Marketing activities	36,018	-	36,018
Plan deployment	20,170	-	20,170
Plan development	110,979	-	110,979
Plan project management	4,378	-	4,378
Personnel:			
Benefits	42,393	-	42,393
Payroll administration	4,691	-	4,691
Salaries and wages	454,603	-	454,603
Taxes – payroll	31,317	-	31,317
Professional services:			
Accounting	12,567	-	12,567
Consulting	4,588	-	4,588
Legal	2,937	-	2,937
Recruiting	67,729	-	67,729
Regional communications:			
Communications	17,633	-	17,633
Investor relations	5,912	-	5,912
Miscellaneous	14,925	-	14,925
Target industry development:			
CRI services	52,020	-	52,020
Facilitators	70,063	-	70,063
Miscellaneous	8,970	-	8,970
Strategies	25,513	-	25,513
Website:			
Development	48,750	-	48,750
Project management	<u>20,528</u>	<u>-</u>	<u>20,528</u>
Total operating expenses	<u>1,453,319</u>	<u>-</u>	<u>1,453,319</u>
<b>Change in net assets</b>	19,142	105,000	124,142
<b>Net assets – beginning of year</b>	<u>1,497,758</u>	<u>-</u>	<u>1,497,758</u>
<b>Net assets – end of year</b>	<u>\$ 1,516,900</u>	<u>\$ 105,000</u>	<u>\$ 1,621,900</u>

See accompanying notes.



**Northeast Indiana Regional Marketing Partnership, Inc. and Subsidiary**  
**Consolidated Statements of Cash Flows**  
**For the Years Ended December 31, 2008 and 2007**

	<u>2008</u>	<u>2007</u>
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ <u>89,581</u>	\$ <u>124,142</u>
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	32,553	22,934
Loss on disposal of fixed assets	447	948
Fair market value of vehicle given to employee	-	4,472
(Increase) decrease in accounts receivable, trade	37,916	(77,235)
Decrease in pledges receivable	-	30,000
Increase in prepaid expenses	(8,156)	(5,924)
Increase in deposits	(17,820)	-
(Increase) decrease in deferred assets	416	(1,190)
Increase in bank overdraft	46,613	-
Increase (decrease) in accounts payable	7,299	(6,139)
Decrease in accrued expenses	(8,877)	(1,120)
Decrease in deferred revenue	-	(9,800)
Total adjustments	<u>90,391</u>	<u>(43,054)</u>
Net cash provided by operating activities	<u>179,972</u>	<u>81,088</u>
<b>Cash flows from investing activities:</b>		
Purchase of investments	(361,641)	(55,000)
Proceeds from sale of fixed assets	-	75
Purchase of property and equipment	(20,541)	(60,425)
Increase in accounts receivable, employee	<u>(250)</u>	<u>-</u>
Net cash used in investing activities	<u>(382,432)</u>	<u>(115,350)</u>
<b>Cash flows from financing activities:</b>		
Payments on notes payable	<u>-</u>	<u>(3,695)</u>
Net decrease in cash	(202,460)	(37,957)
<b>Cash – beginning of year</b>	<u>1,361,180</u>	<u>1,399,137</u>
<b>Cash – end of year</b>	<u>\$ 1,158,720</u>	<u>\$ 1,361,180</u>
<b>Supplemental information:</b>		
Interest paid	\$ -	\$ 123
Interest received	27,495	48,268

See accompanying notes.

# Northeast Indiana Regional Marketing Partnership, Inc. and Subsidiary

## Notes to Consolidated Financial Statements

### 1. Nature of Business

Northeast Indiana Regional Marketing Partnership, Inc. ("Partnership") is a not-for-profit corporation organized under Section 501(c)(6) of the Internal Revenue Code. The Partnership's purpose is to encourage and further economic development through external marketing within the following northeast Indiana counties: Adams, Allen, DeKalb, Grant, Huntington, LaGrange, Noble, Steuben, Wabash, Wells and Whitley. The Northeast Indiana Foundation, Inc. ("Foundation") is a not-for-profit corporation organized under Section 501(c)(3) of the Internal Revenue Code. The Foundation's purpose is to educate local governments through forums as well as to provide support to the Partnership.

### 2. Summary of Significant Accounting Policies

#### **Principles of Consolidation**

The accompanying consolidated financial statements include the accounts of the Partnership and the Foundation (collectively referred to as the "Organization"), both of which are under common control with a similar board of directors. All significant transactions and balances have been eliminated in combination.

#### **Basis of Accounting**

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting whereby revenues are recognized when earned and expenditures are recognized when incurred.

#### **Basis of Presentation**

Financial statement presentation follows recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. A description of the three net asset categories follows:

Unrestricted – Net assets that are not subject to donor-imposed restrictions. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.

Temporarily Restricted – Net assets whose use by the Organization is subject to donor-imposed restrictions that can be fulfilled by actions of the Organization to those restrictions or that expire by the passage of time.

Permanently Restricted – Net assets subject to donor-imposed restrictions that they be maintained permanently by the Organization. No permanently restricted assets were held during the years ended December 31, 2008 and 2007 and, accordingly, these financials do not reflect any activity related to this class of net assets for the years then ended.

**Northeast Indiana Regional Marketing Partnership, Inc. and Subsidiary**  
**Notes to Consolidated Financial Statements, continued**

**2. Summary of Significant Accounting Policies, continued**

**Cash and Cash Equivalents**

Cash equivalents include time deposits, certificates of deposit, and all highly liquid debt instruments with original maturities of three months or less.

The Organization periodically throughout the year has maintained balances in accounts in excess of federally insured limits. Amounts in excess of federally insured limits at December 31, 2008 and 2007 were approximately \$283,075 and \$903,095, respectively.

**Accounts Receivable**

Accounts receivable consist of fee for service billings that the Organization expects to receive from funding sources and are stated at their net realizable values. As of December 31, 2008 and 2007, accounts receivable were \$46,169 and \$84,085, respectively. Accounts receivable are considered by management to be fully collectible.

**Investments**

Investments are stated at their readily determinable fair market value in accordance with Statement of Financial Accounting Standard No. 124, *Accounting for Certain Investments Held by Not-for-Profit Organizations*.

**Property and Equipment**

Property and equipment are stated at cost. Expenditures for maintenance and repairs are charged against operations.

Renewals and betterments that materially extend the lives of assets are capitalized. The cost of assets sold, retired, or otherwise disposed of and the related allowance for depreciation are eliminated from the accounts, and the resulting gain or loss is included in the change in net assets.

**Depreciation**

The cost of property and equipment is depreciated over the estimated useful lives of the related assets. Depreciation is computed on the straight-line method for financial reporting purposes.

The estimated useful lives of the assets are as follows:

Equipment	5 – 7 years
Furniture and fixtures	7 – 10 years
Website	3 – 10 years

**Use of 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.

## **Northeast Indiana Regional Marketing Partnership, Inc. and Subsidiary**

### **Notes to Consolidated Financial Statements, continued**

#### **2. Summary of Significant Accounting Policies, continued**

##### **Reclassifications**

Certain reclassifications have been made for the year ended December 31, 2007 to conform to the classifications used for the year ended December 31, 2008. These reclassifications did not affect results of operations as previously reported.

##### **Contributions Received**

The Organization adopted SFAS No. 116, *Accounting for Contributions Received and Contributions Made*, whereby contributions received and irrevocable promises to give in future periods are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence and/or nature of any donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purpose restrictions.

##### **Donated Services**

The Organization recognizes donated services that create or enhance nonfinancial assets or that require specialized skills and are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. During the years ended December 31, 2008 and 2007, the Organization received donated legal services that could not be quantified. Due to the nature of the services received, and the inability to quantify the value, these services are not included on the financial statements.

##### **Revenue**

The Partnership's revenue comes primarily from its investors and contractual relationships with the city and county governments in the given county area that it serves to provide professional marketing services related to economic development activities. If any one of these relationships were eliminated, the Partnership's finances could be materially adversely affected.

The Foundation's revenue comes primarily from grants that it receives.

The Organization reports gifts of cash and other assets as 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, support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is received.

##### **Income Taxes**

The Partnership and the Foundation are exempt from income taxes under Sections 501(c)(6) and 501(c)(3), respectively, of the Internal Revenue Code and, therefore, no provision for federal income taxes in the accompanying financial statements has been made. There was no unrelated business income for the years ended December 31, 2008 and 2007.

**Northeast Indiana Regional Marketing Partnership, Inc. and Subsidiary**  
**Notes to Consolidated Financial Statements, continued**

**3. Investments**

The Organization held the following investments as of December 31, 2008 and 2007:

	<u>2008</u>	
	<u>Fair Value</u>	<u>Cost Basis</u>
Community State Bank Certificate of Deposit	\$ 100,000	\$ 100,000
Farmers State Bank Certificate of Deposit	50,000	50,000
Farmers State Bank Certificate of Deposit	56,641	56,641
Lake City Bank Certificate of Deposit	100,000	100,000
Markle Bank Certificate of Deposit	75,000	75,000
Ossian State Bank Certificate of Deposit	10,000	10,000
Peoples Federal Savings Bank Certificate of Deposit	<u>25,000</u>	<u>25,000</u>
Total	<u>\$ 416,641</u>	<u>\$ 416,641</u>

  

	<u>2007</u>	
	<u>Fair Value</u>	<u>Cost Basis</u>
Farmers State Bank Certificate of Deposit	<u>\$ 55,000</u>	<u>\$ 55,000</u>

The following schedule summarizes the investment return and its classification in the statement of activities for the year ended December 31, 2008 and 007:

	<u>2008</u>		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Interest income	<u>\$ 1,641</u>	<u>\$ -</u>	<u>\$ 1,641</u>

  

	<u>2007</u>		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Interest income	<u>\$ 14,266</u>	<u>\$ -</u>	<u>\$ 14,266</u>

**Northeast Indiana Regional Marketing Partnership, Inc. and Subsidiary**  
**Notes to Consolidated Financial Statements, continued**

**4. Property and Equipment**

Property and equipment costs and related accumulated depreciation as of December 31, 2008 and 2007 is as follows:

	<u>2008</u>		
	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Book Value</u>
Equipment	\$ 24,692	\$ 9,273	\$ 15,419
Furniture and fixtures	123,884	29,124	94,760
Website	<u>67,080</u>	<u>24,900</u>	<u>42,180</u>
	<u>\$ 215,656</u>	<u>\$ 63,297</u>	<u>\$ 152,359</u>
	<u>2007</u>		
	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Book Value</u>
Equipment	\$ 17,952	\$ 5,077	\$ 12,875
Furniture and fixtures	117,722	16,912	100,810
Website	<u>60,000</u>	<u>8,867</u>	<u>51,133</u>
	<u>\$ 195,674</u>	<u>\$ 30,856</u>	<u>\$ 164,818</u>

Depreciation expense for the year ended December 31, 2008 and 2007 was \$32,553 and \$22,934, respectively.

**5. Restrictions on Net Assets**

Temporarily restricted net assets are available for the following purposes as of December 31, 2008 and 2007:

	<u>2008</u>	<u>2007</u>
Lincoln Financial Group (Community Research and Strategy Development)	\$ 80,000	\$ 75,000
NIPSCO (Regional Capacity Building)	17,500	-
Verizon (Conference room renovation)	<u>30,000</u>	<u>30,000</u>
	<u>\$ 127,500</u>	<u>\$ 105,000</u>

All temporarily restricted net assets at December 31, 2007 were released from donor restrictions by incurring expenses satisfying the purpose specified by donors.

**Northeast Indiana Regional Marketing Partnership, Inc. and Subsidiary**  
**Notes to Consolidated Financial Statements, continued**

**6. Operating Leases (Lessee)**

The Organization leases office space under a noncancelable operating lease which calls for monthly payments of \$2,158. The lease is due to expire on July 2011. The monthly rent payment includes janitorial services and all utilities provided by the lessor.

The Organization also leases additional office space under a month-to-month operating lease which calls for monthly payments of \$300.

The Organization also leases a vehicle under a noncancelable operating lease which calls for monthly payments of \$498. The lease is due to expire in May 2010.

The Organization also leases office equipment under noncancelable operating leases which expire from 2009 through 2010.

Rent expense on all operating leases for the year ended December 31, 2008 and 2007 was \$40,532 and \$36,665.

The following is a schedule of future minimum rental payments required under the above noncancelable operating leases:

<u>Year Ending</u> <u>December 31:</u>	
2009	\$ 35,509
2010	34,562
2011	15,604
2012	-
2013	<u>-</u>
Total	<u>\$ 85,675</u>

**7. Retirement Plan Expense**

The Organization has a defined contribution salary deferral plan covering substantially all employees. Under the plan, eligible employees are able to make salary deferrals, which are matched by the Organization at a discretionary rate. The matching contribution for the years ended December 31, 2008 and 2007 was \$15,206 and \$7,350, respectively.

**8. Related Party Transactions**

A member of the Organization's Board of Directors is a partner in a law firm that provides services to the Organization. These transactions are in the normal course of business. The Organization paid the law firm legal fees in the amount of \$6,504 and \$2,938 for the years ended December 31, 2008 and 2007, respectively.

## **Independent Auditors' Report on Consolidating Information**

To the Board of Directors  
Northeast Indiana Regional Marketing Partnership, Inc.

Our report on our audit of the consolidated financial statements of Northeast Indiana Regional Marketing Partnership, Inc. for 2008 and 2007 appears on page 1. That audit was made for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The consolidating information on pages 15 through 20 is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations, and cash flows of the individual organizations. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

A handwritten signature in black ink that reads "Hamil, Lehman & England, P.C." The signature is written in a cursive, flowing style.

Hamil, Lehman & England, P.C.  
Fort Wayne, Indiana  
January 26, 2009



**Northeast Indiana Regional Marketing Partnership, Inc. and Subsidiary**  
**Consolidating Statements of Financial Position**  
**December 31, 2008**

**ASSETS**

	<u>Partnership</u>	<u>Foundation</u>
<b>Current assets:</b>		
Cash	\$ 579,023	\$ 579,697
Accounts receivable	46,419	-
Inter-organizational receivable	39,859	-
Prepaid expenses	14,080	-
Investments	<u>291,641</u>	<u>125,000</u>
Total current assets	<u>971,022</u>	<u>704,697</u>
<b>Property and equipment, net</b>	<u>152,359</u>	<u>-</u>
<b>Other assets:</b>		
Deposits	24,000	-
Deferred assets	<u>774</u>	<u>-</u>
Total other assets	<u>24,774</u>	<u>-</u>
<b>Total assets</b>	<u>\$ 1,148,155</u>	<u>\$ 704,697</u>

**LIABILITIES AND NET ASSETS**

**Current liabilities:**

Bank overdraft	\$ 46,613	\$ -
Accounts payable	34,934	-
Inter-organizational payable	-	39,859
Accrued expenses	19,765	-
Deferred revenue	<u>200</u>	<u>-</u>
Total current liabilities	<u>101,512</u>	<u>39,859</u>

**Net assets:**

Unrestricted	919,143	664,838
Temporarily restricted	<u>127,500</u>	<u>-</u>
Total net assets	<u>1,046,643</u>	<u>664,838</u>
<b>Total liabilities and net assets</b>	<u>\$ 1,148,155</u>	<u>\$ 704,697</u>

**Northeast Indiana Regional Marketing Partnership, Inc. and Subsidiary**  
**Consolidating Statements of Financial Position, continued**  
**December 31, 2007**

**ASSETS**

	<u>Partnership</u>	<u>Foundation</u>
<b>Current assets:</b>		
Cash	\$ 694,562	\$ 666,618
Accounts receivable	84,085	-
Inter-organizational receivable	25,500	-
Prepaid expenses	5,924	-
Investment	<u>55,000</u>	<u>-</u>
Total current assets	<u>865,071</u>	<u>666,618</u>
<b>Property and equipment, net</b>	<u>164,818</u>	<u>-</u>
<b>Other assets:</b>		
Deposits	6,180	-
Deferred assets	<u>1,190</u>	<u>-</u>
Total other assets	<u>7,370</u>	<u>-</u>
<b>Total assets</b>	<u>\$ 1,037,259</u>	<u>\$ 666,618</u>

**LIABILITIES AND NET ASSETS**

**Current liabilities:**

Accounts payable	\$ 27,635	\$ -
Inter-organizational payable	-	25,500
Accrued expenses	28,642	-
Deferred revenue	<u>200</u>	<u>-</u>
Total current liabilities	<u>56,477</u>	<u>25,500</u>

**Net assets:**

Unrestricted	980,782	536,118
Temporarily restricted	<u>-</u>	<u>105,000</u>
Total net assets	<u>980,782</u>	<u>641,118</u>
<b>Total liabilities and net assets</b>	<u>\$ 1,037,259</u>	<u>\$ 666,618</u>

**Northeast Indiana Regional Marketing Partnership, Inc. and Subsidiary**  
**Consolidating Statements of Activities**  
**For the Year Ended December 31, 2008**

	<u>Partnership</u>	<u>Foundation</u>
<b>Revenue:</b>		
Contributions	\$ 67,813	\$ -
Fee for service	1,147,244	-
Grant income	-	487,500
Interest income	14,168	13,327
Other income	<u>48,373</u>	<u>-</u>
Total revenue	<u>1,277,598</u>	<u>500,827</u>
<b>Operating expenses:</b>		
Administration and office operations:		
Automobile	11,187	-
Bad debt	25,632	-
Depreciation	32,553	-
Dues and subscriptions	5,201	-
Disposal of fixed assets	447	-
Insurance	2,692	700
Internet	-	-
IT support and maintenance	3,078	-
Miscellaneous	7,162	-
Office supplies	5,262	30,082
Postage and shipping	991	-
Rent and lease	34,059	-
Telephone	6,928	-
Training	8,114	-
Business development:		
Dues and subscriptions	13,963	-
Entertainment	9,965	-
Lead generation	30,417	-
Miscellaneous	54,564	-
Sponsorships	7,500	-
Travel	47,587	-
Capacity building:		
Local Economic Development Organization meetings and activities	4,855	35,527
Miscellaneous	(79)	16,300
Regional economic development forum	22,607	25,174
Grants:		
Other programs	57,998	82,266
Outside organizations	-	79,909
Regional partnership grants	-	-

**Northeast Indiana Regional Marketing Partnership, Inc. and Subsidiary**  
**Consolidating Statement of Activities, continued**  
**For the Year Ended December 31, 2008**

	<u>Partnership</u>	<u>Foundation</u>
Indiana Economic Development Corporation partnership:		
Miscellaneous	\$ -	\$ -
Outside sales	14,626	-
Marketing:		
Development materials	51,429	-
Marketing activities	3,806	-
Plan deployment	34,220	-
Plan development	-	189,493
Plan project management	-	-
Personnel:		
Benefits	52,523	-
Payroll administration	7,556	-
Salaries and wages	521,548	-
Taxes – payroll	38,878	-
Professional services:		
Accounting	3,349	1,000
Consulting	3,430	-
Legal	127	6,384
Recruiting	-	-
Regional communications:		
Communications	5	-
Investor relations	12,082	-
Miscellaneous	24,848	-
Target industry development:		
CRI services	-	-
Facilitators	-	-
Miscellaneous	-	-
Strategies	1,522	-
Website:		
Development	749	10,272
Project management	<u>48,356</u>	<u>-</u>
Total operating expenses	<u>1,211,737</u>	<u>477,107</u>
<b>Change in net assets</b>	65,861	23,720
<b>Net assets – beginning of year</b>	<u>980,782</u>	<u>641,118</u>
<b>Net assets – end of year</b>	<u>\$ 1,046,643</u>	<u>\$ 664,838</u>

**Northeast Indiana Regional Marketing Partnership, Inc. and Subsidiary**  
**Consolidating Statements of Activities, continued**  
**For the Year Ended December 31, 2007**

	<u>Partnership</u>	<u>Foundation</u>
<b>Revenue:</b>		
Contributions	\$ 234,591	\$ -
Fee for service	1,147,590	-
Grant income	-	315,000
In-kind contributions	5,000	-
Interest income	21,511	26,757
Other income	<u>91,603</u>	<u>-</u>
Total revenue	<u>1,500,295</u>	<u>341,757</u>
<b>Operating expenses:</b>		
Administration and office operations:		
Automobile	12,900	-
Bad debt	5,924	-
Depreciation	22,934	-
Disposal of fixed assets	738	-
Insurance	2,921	-
Internet	88	-
IT support and maintenance	3,468	-
Miscellaneous	9,451	30,059
Office supplies	5,044	-
Postage and shipping	1,821	-
Rent and lease	31,626	-
Telephone	7,221	-
Training	6,237	-
Business development:		
Dues and subscriptions	2,013	-
Entertainment	713	-
Lead generation	1,564	-
Miscellaneous	6,665	-
Sponsorships	5,000	-
Travel	17,622	-
Capacity building:		
Local Economic Development Organization meetings and activities	11,311	-
Miscellaneous	2,513	-
Regional economic development forum	36,964	-
Grants:		
Other programs	-	29,872
Outside organizations	-	49,083
Regional partnership grants	-	252,091

**Northeast Indiana Regional Marketing Partnership, Inc. and Subsidiary**  
**Consolidating Statements of Activities, continued**  
**For the Year Ended December 31, 2007**

	<u>Partnership</u>	<u>Foundation</u>
Indiana Economic Development Corporation partnership:		
Miscellaneous	\$ 541	\$ -
Outside sales	27,087	-
Marketing:		
Development materials	77,755	-
Marketing activities	33,989	2,029
Plan deployment	20,170	-
Plan development	110,979	-
Plan project management	4,378	-
Personnel:		
Benefits	42,393	-
Payroll administration	4,691	-
Salaries and wages	454,603	-
Taxes – payroll	31,317	-
Professional services:		
Accounting	12,067	500
Consulting	4,588	-
Legal	1,811	1,126
Recruiting	67,729	-
Regional communications:		
Communications	17,633	-
Investor relations	5,912	-
Miscellaneous	14,925	-
Target industry development:		
CRI services	52,020	-
Facilitators	70,063	-
Miscellaneous	8,970	-
Strategies	25,513	-
Website:		
Development	48,750	-
Project management	<u>20,528</u>	<u>-</u>
Total operating expenses	<u>1,353,150</u>	<u>364,760</u>
<b>Change in net assets</b>	147,145	(23,003)
<b>Net assets – beginning of year</b>	<u>833,637</u>	<u>664,121</u>
<b>Net assets – end of year</b>	<u>\$ 980,782</u>	<u>\$ 641,118</u>