

**Centre County Tax Collection
Committee**

Financial Statement

December 31, 2012

Centre County Tax Collection Committee

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Independent Accountants' Review Report

Board of Directors
Centre County Tax Collection Committee

We have reviewed the accompanying statement of cash receipts and disbursements and cash balance of Centre County Tax Collection Committee as of December 31, 2012. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Committee management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statement as a whole. Accordingly, we do not express such an opinion.

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

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statement. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statement in order for it to be in conformity with the cash receipts and disbursements basis of accounting, as described in Note 1.

State College, Pennsylvania
No Date, 2013

Centre County Tax Collection Committee

Statement of Cash Receipts and Disbursements and Cash Balance

Year Ended December 31, 2012

(See Independent Accountants' Review Report)

Cash Receipts

Municipal contributions	\$	6,500
Operating loan		2,300
Interest income		<u>2</u>
Total cash receipts		<u>8,802</u>

Cash Disbursements

Operating loan repayment		3,900
Insurance		3,339
Legal		1,206
Accounting services		750
Advertising		<u>74</u>
Total cash disbursements		<u>9,269</u>

Change in Cash		(467)
Beginning Cash		<u>1,859</u>
Ending Cash	\$	<u><u>1,392</u></u>

See notes to financial statement

Centre County Tax Collection Committee

Notes to Financial Statement

December 31, 2012

(See Independent Accountants' Review Report)

1. Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

Pennsylvania Act 32 (the "Act") dictated local earned income tax collection reform in Pennsylvania. As part of this reform, the Act established county-wide tax collection districts (TCD). Each TCD is organized under a tax collection committee (TCC) which serves as the governing body for the TCD. The Centre County Tax Collection Committee (the "Committee") represents municipalities in Centre County. The municipalities have a weighted vote that is based upon the earned income tax collected.

Basis of Accounting

The Committee presents its statement on the cash basis of accounting. Accordingly, receipts are recorded when received rather than when earned and disbursements are recognized when paid rather than when incurred.

2. Operating Loan

The Committee was loaned monies from State College Area School District and Patton Township for operations. As of December 31, 2012 all monies have been repaid.