



**BUFFALO
CONVENTION
CENTER**

AUDIT PRESENTATION
DECEMBER 31, 2025

Cathleen M. Karpik, CPA



CERTIFIED PUBLIC ACCOUNTANTS

Cyclorama Building | 369 Franklin Street | Buffalo, NY 14202

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AUDITORS' REPORTS AND FILINGS



- The financial statements present fairly, in all material respects, the financial position as of December 31, 2025 and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America
- 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*
 - Summarized Finding related to Separation of Duties
 - Lack of documented review and approval
 - Management response
- Federal and state informational returns due May 15th; 6 month extension available

REQUIRED COMMUNICATIONS



AUDIT

- We are independent with respect to the Center
- Material misstatements identified were reconciled and corrected by management
- Accounting policies consistently applied
- Accounting estimates reasonable
- Significant footnotes
 - FN1 – Erie County Contract, Service Concession Arrangement
 - FN2 – Line of credit availability and amounts outstanding

MANAGEMENT LETTER

- Significant deficiency; separation of duties

FINANCIAL SUMMARY

STATEMENTS OF ACTIVITIES



For the years ended December 31,	2025	2024	Variance	Comments
Changes in net assets:				
Revenue and support:				
Governmental support - Erie County	\$ 2,350,000	\$ 2,581,286	\$ (231,286)	Per contract, 2024 includes \$350k one time funding
Food and beverage sales	3,006,335	3,460,559	(454,224)	Decreased number of events
Rentals	1,100,050	1,104,970	(4,920)	
Other	75,947	78,630	(2,683)	
Total revenue and other support	<u>6,532,332</u>	<u>7,225,445</u>	<u>(693,113)</u>	
Expenses:				
Personnel expenses	3,806,854	3,898,569	(91,715)	Food service wages down, offset by admin wages
Cost of goods sold	964,689	1,111,387	(146,698)	Fluctuates with events
Property and equipment purchases	8,255	-	8,255	
Occupancy, including catering	1,037,587	781,614	255,973	Increased utilities and insurance
Other	1,042,746	1,142,957	(100,211)	2024 includes \$36k of interest on LOC
Total expenses	<u>6,860,131</u>	<u>6,934,527</u>	<u>(74,396)</u>	
Change in net assets	\$ (327,799)	\$ 290,918	\$ (618,717)	

FINANCIAL SUMMARY

BALANCE SHEETS



December 31,	2025	2024	Comments
Assets			
Cash	\$ 469,296	\$ 760,999	
Receivables	265,695	445,737	Receivables from events
Inventory	36,237	52,545	
Prepaid expenses	30,115	30,024	
	<u>\$ 801,343</u>	<u>\$ 1,289,305</u>	
Liabilities and Net Assets			
Liabilities:			
Accounts payable and accrued expenses	\$ 326,583	\$ 488,048	Timing
Deferred revenue	104,152	102,850	Deposits on future events
	<u>430,735</u>	<u>590,898</u>	
Net Assets Without Donor Restrictions	<u>370,608</u>	<u>698,407</u>	
	<u>\$ 801,343</u>	<u>\$ 1,289,305</u>	



QUESTIONS AND DISCUSSION

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