

**ONEIDA COUNTY LOCAL
DEVELOPMENT CORPORATION**

FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

Financial Statements and
Other Financial Information

**ONEIDA COUNTY LOCAL
DEVELOPMENT CORPORATION**

December 31, 2011 and 2010

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BARONE, HOWARD & Co., CPAs, PC
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

To the Board of Directors
Oneida County Local Development Corporation
Rome, New York

We have audited the accompanying statements of financial position of Oneida County Local Development Corporation as of December 31, 2011 and 2010, and the related 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 financial statements based on our audit.

We conducted our audit 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 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 financial statements referred to above present fairly, in all material respects, the financial position of the Oneida County Local Development Corporation as of December 31, 2011 and 2010, and the changes in its net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated March 15, 2012, on our consideration of Oneida County Local Development Corporation'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 results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Barone, Howard & Co., CPAs, P.C.
Barone, Howard & Co., CPAs, PC

March 15, 2012



BARONE, HOWARD & Co., CPAs, PC
CERTIFIED PUBLIC ACCOUNTANTS

**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**

To the Board of Directors
Oneida County Local Development Corporation
Rome, New York

We have audited the financial statements of Oneida County Local Development Corporation as of and for the years ended December 31, 2011 and 2010, and have issued our report thereon dated March 15, 2012. We conducted our audit 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Oneida County Local Development Corporation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Oneida County Local Development Corporation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Oneida County Local Development Corporation's financial statements are free of 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 that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of management, the Board of Directors, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

Barone, Howard & Co., CPAs, P.C.
Barone, Howard & Co., CPAs, PC

March 15, 2012

ONEIDA COUNTY LOCAL DEVELOPMENT CORPORATION
Statement of Financial Position
December 31, 2011 and 2010

	2011	2010
ASSETS		
Current assets:		
Cash on hand and in banks	\$ 5,689	\$ 35,480
Total current assets	5,689	35,480
Other assets:		
Organization costs, net of accumulated amortization	16,250	17,128
Total other assets	16,250	17,128
Total Assets	\$ 21,939	\$ 52,608
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 30,000	\$ 17,567
Accrued expenses	2,000	-
Total current liabilities	32,000	17,567
Net assets:		
Unrestricted	(10,061)	35,041
Total net assets	(10,061)	35,041
Total Liabilities and Net Assets	\$ 21,939	\$ 52,608

ONEIDA COUNTY LOCAL DEVELOPMENT CORPORATION
Statements of Activities
For the years ended December 31, 2011 and 2010

	2011	2010
Operating revenue:		
Administrative and bond fees	\$ 1,000	\$ 35,500
Total operating revenue	<u>1,000</u>	<u>35,500</u>
Operating expenses:		
Bank charges	110	20
Professional fees	4,125	-
Amortization	878	439
Marketing	315	-
Insurance	675	-
Service fees	40,000	-
Total operating expenses	<u>46,103</u>	<u>459</u>
Total operating income (loss)	(45,103)	35,041
Other income:		
Interest income	<u>1</u>	<u>-</u>
Total other income	<u>1</u>	<u>-</u>
Change in unrestricted net assets	(45,102)	35,041
Unrestricted net assets at beginning of year	<u>35,041</u>	<u>-</u>
Unrestricted net assets at end of year	<u>\$ (10,061)</u>	<u>\$ 35,041</u>

The accompanying notes are an integral part of these financial statements.

ONEIDA COUNTY LOCAL DEVELOPMENT CORPORATION
Statements of Cash Flows
For the years ended December 31, 2011 and 2010

	2011	2010
Cash flows from operating activities:		
Change in net assets	<u>\$ (45,102)</u>	<u>\$ 35,041</u>
Adjustment to reconcile net change in net assets to cash provided by operating activities:		
Amortization of organization costs	878	439
Increase in liabilities:		
Accounts payable	12,433	17,567
Accrued expenses	<u>2,000</u>	<u>-</u>
Total adjustments	<u>15,311</u>	<u>18,006</u>
Net cash provided (used) by operating activities	<u>(29,791)</u>	<u>53,047</u>
Cash flows from investing activities:		
Organization costs incurred	<u>-</u>	<u>(17,567)</u>
Net cash used by investing activities	<u>-</u>	<u>(17,567)</u>
Net increase (decrease) in cash	(29,791)	35,480
Cash on hand and in banks, beginning of year	<u>35,480</u>	<u>-</u>
Cash on hand and in banks, end of year	<u><u>\$ 5,689</u></u>	<u><u>\$ 35,480</u></u>

The accompanying notes are an integral part of these financial statements.

ONEIDA COUNTY LOCAL DEVELOPMENT CORPORATION
Notes to Financial Statements
For the years ended December 31, 2011 and 2010

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Purpose

The Oneida County Local Development Corporation (the Organization) was created on August 27, 2010, by the Oneida County Board of Legislators under the provisions of Sections 402 and 1411 of the Not for Profit Corporation Law of the State of New York. The Agency's specific purpose is for:

- a. promoting community and economic development and the creation of jobs in the non-profit and for-profit sectors for the citizens of the County by developing and providing programs for not-for-profit institutions, manufacturing and industrial businesses and other entities to access low interest tax-exempt and non-tax exempt financing for their eligible projects; and
- b. undertaking projects and activities within the County for the purpose of relieving and reducing unemployment, bettering and maintaining job opportunities, carrying on scientific research for the purpose of aiding the County by attracting new industry to the County or by encouraging the development of, or retention of, an industry in the County, and lessening the burdens of government and acting in the public interest.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in Statement of Financial Accounting Standard (SFAS) No.117, *Financial Statements of Not-for-Profit Organizations*. Under these provisions, the Agency 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. At December 31, 2011 and 2010, the Organization did not maintain any temporarily or permanently restricted net assets.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the recorded amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Expense Allocation

Expenses are charged to program and supporting services according to specific identification. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

ONEIDA COUNTY LOCAL DEVELOPMENT CORPORATION
Notes to Financial Statements - continued
For the years ended December 31, 2011 and 2010

Note 2 CONCENTRATIONS OF CREDIT RISK

Financial instruments which potentially subject the Organization to concentrations of credit risk consist principally of cash. At December 31, 2011 and 2010, the Organization did not have deposits that exceeded the FDIC insurance limits.

Note 3 RELATED-PARTY TRANSACTIONS

The Organization shares common space with Economic Development Growth Enterprises (EDGE) and Griffiss Local Development Corporation (GLDC). In addition, EDGE performs various administrative and accounting services for the Organization.

Note 4 TAX STATUS

The Organization is exempt from Federal, State and local income taxes. The Organization, although established by the Oneida County Board of Legislators, is a separate entity and operates independently of Oneida County.

Note 5 SUBSEQUENT EVENTS

Management has conducted an evaluation of potential subsequent events occurring after the date of the statement of financial position through March 15, 2012, the date which the financial statements were available to be issued. No subsequent events requiring disclosure were noted.