

**VILLAGE OF VICTOR URBAN RENEWAL
AGENCY, NEW YORK**

FINANCIAL STATEMENTS

For The Years Ended May 31, 2012 and 2011

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Raymond F. Wager, CPA, P.C.
Certified Public Accountants

Shareholders:

Raymond F. Wager, CPA
Thomas J. Lauffer, CPA
Thomas C. Zuber, CPA

Members of
American Institute of
Certified Public Accountants
and
New York State Society of
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

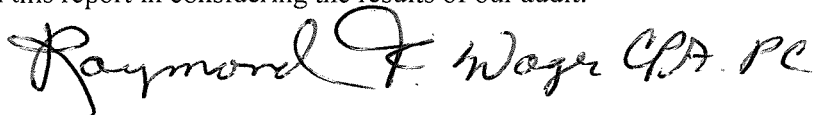
To the Board of Directors of
Village of Victor Urban Renewal
Agency, New York

We have audited the accompanying statement of financial position of the Village of Victor Urban Renewal Agency, New York as of May 31, 2012 and 2011, and the related statements of activities, and cash flows for the years then ended. These financial statements are the responsibility of the Village of Victor Urban Renewal Agency, New York'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*. 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 Village of Victor Urban Renewal Agency, New York as of May 31, 2012 and 2011, and the changes in its net assets and its cash flows for the years 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 August 28, 2012 on our consideration of the Village of Victor Urban Renewal Agency, New York's, internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 read in conjunction with this report in considering the results of our audit.



August 28, 2012

VILLAGE OF VICTOR URBAN RENEWAL

AGENCY, NEW YORK

Statement of Financial Position

May 31, 2012 and 2011

<u>ASSETS:</u>	<u>2012</u>	<u>2011</u>
<u>Current Assets -</u>		
Cash	\$ 24,522	\$ 28,645
Total Current Assets	<u>\$ 24,522</u>	<u>\$ 28,645</u>
<u>Capital Assets -</u>		
Land	\$ 189,500	\$ 189,500
Total Capital Assets, Net	<u>\$ 189,500</u>	<u>\$ 189,500</u>
TOTAL ASSETS	<u><u>\$ 214,022</u></u>	<u><u>\$ 218,145</u></u>
 <u>NET ASSETS:</u>		
<u>Net Assets -</u>		
Investment in Capital Assets, net of related debt	\$ 189,500	\$ 189,500
Unrestricted - operations	24,522	28,645
TOTAL NET ASSETS	<u>\$ 214,022</u>	<u>\$ 218,145</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 214,022</u></u>	<u><u>\$ 218,145</u></u>

(The accompanying notes are an integral part of these financial statements)

VILLAGE OF VICTOR URBAN RENEWAL
AGENCY, NEW YORK
Statement of Activities
For The Years Ended May 31, 2012 and 2011

<u>OPERATING REVENUES:</u>	<u>2012</u>	<u>2011</u>
Interest on program income	\$ 16	\$ 23
Miscellaneous revenue	120	503
TOTAL OPERATING REVENUES	\$ 136	\$ 526
<u>OPERATING EXPENSES:</u>		
<u>Program</u>		
Program expenses	4,259	\$ 6,350
TOTAL OPERATING EXPENSES	\$ 4,259	\$ 6,350
NET OPERATING INCOME (LOSS)	\$ (4,123)	\$ (5,824)
NET ASSETS - BEGINNING OF YEAR	218,145	223,969
NET ASSETS - END OF YEAR	\$ 214,022	\$ 218,145

(The accompanying notes are an integral part of these financial statements)

VILLAGE OF VICTOR URBAN RENEWAL
AGENCY, NEW YORK

Statement of Cash Flows

For The Years Ended May 31, 2012 and 2011

<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>	<u>2012</u>	<u>2011</u>
Cash received from providing services	\$ 136	\$ 526
Cash payments contractual expenses	<u>(4,259)</u>	<u>(6,350)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (4,123)</u>	<u>\$ (5,824)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ (4,123)	\$ (5,824)
BEGINNING CASH AND CASH EQUIVALENTS	<u>28,645</u>	<u>34,469</u>
ENDING CASH AND CASH EQUIVALENTS	<u>\$ 24,522</u>	<u>\$ 28,645</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Net Operating Income (Loss)	<u>\$ (4,123)</u>	<u>\$ (5,824)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (4,123)</u>	<u>\$ (5,824)</u>

(The accompanying notes are an integral part of these financial statements)

VILLAGE OF VICTOR URBAN RENEWAL AGENCY, NEW YORK

NOTES TO FINANCIAL STATEMENTS

May 31, 2012

I. Summary of Significant Accounting Policies:

A. Organization

The accompanying financial statements present the financial position and revenues and expenditures of the Village of Victor Urban Renewal Agency (the Agency). The Agency was formed on July 27, 1982 under Articles 15 and 15-A of the General Municipal Law. The accounting records of the Agency are separate from those of the Village of Victor. The Agency was created to develop and oversee the Village's urban renewal efforts.

B. Basis of Accounting

The financial statements of the Village of Victor Urban Renewal Agency, New York have been prepared in conformity with generally accepted accounting principles as applied to governmental units on the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. Expenditures are recognized when the liability is incurred.

The Agency reports information regarding its financial position and activities according to three classes of net assets, unrestricted, temporarily restricted, and permanently restricted net assets. At May 31, 2012 the Agency only had unrestricted net assets.

C. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Agency considers all highly liquid cash accounts and other temporary investments of three months or less as cash equivalents.

D. Estimates

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

II. Cash and Cash Equivalents:

Custodial credit risk is the risk that in the event of a bank failure, the Agency's deposits may not be returned to it. While the Agency does not have a specific policy for custodial credit risk, New York State statutes govern the Agency's investment policies, as discussed previously in these notes.

The Village of Victor Urban Renewal Agency's bank balances were fully covered by FDIC insurance.

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**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 of
Village of Victor Urban Renewal Agency, New York

We have audited the financial statements of the Village of Victor Urban Renewal Agency, New York as of and for the years ended May 31, 2012 and 2011, and have issued our report thereon dated August 28, 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

The management of the Village of Victor Urban Renewal Agency is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Village of Victor Urban Renewal Agency, New York'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 the Agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over financial reporting.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Agency's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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 the Village of Victor Urban Renewal Agency, New York'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 or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to the management of the Village of Victor Urban Renewal Agency, New York in a separate letter dated August 28, 2012.

This report is intended solely for the information and use of the Agency, management, Authority Budget Office, others within the entity, and the Board of Directors and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Raymond F. Wager, CPA, P.C." The signature is written in a cursive style with a large initial 'R'.

August 28, 2012