

**OLEAN LOCAL
DEVELOPMENT CORPORATION**

REPORT ON FINANCIAL STATEMENTS

**YEARS ENDED
MAY 31, 2014 AND 2013**

**OLEAN LOCAL
DEVELOPMENT CORPORATION**

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BUFFAMANTE WHIPPLE BUTTAFARO, P.C.
Certified Public Accountants • Business Advisors

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
Olean Local Development Corporation
Olean, New York

We have audited the accompanying financial statements of *Olean Local Development Corporation* (a nonprofit organization) which comprise the statements of financial position as of as of May 31, 2014 and 2013, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of *Olean Local Development Corporation* as of May 31, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Buffamante Whipple Buttafaro, P.C.

BUFFAMANTE WHIPPLE BUTTAFARO, P.C.

Olean, New York
May 22, 2015

OLEAN LOCAL DEVELOPMENT CORPORATION
STATEMENTS OF ACTIVITIES

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Fiscal years ended May 31,

	<u>2014</u>	<u>2013</u>
Support and revenue		
Contributions	\$ 550	\$ 7,495
Player dues	30,050	10,200
Advertisements	550	1,000
Fundraising	13,326	9,529
Sale of merchandise	45	198
Other income	--	200
	<hr/>	<hr/>
Total support and revenue	44,521	28,622
Expenses		
League fees and umpires	6,460	6,161
Small equipment, uniforms and supplies	4,128	14,852
Facility rental, lodging and travel	17,600	17,500
Fundraising event expenses	9,955	4,573
Professional fees	2,800	--
Miscellaneous expenses	782	260
	<hr/>	<hr/>
Total expenses	41,725	43,346
Increase (decrease) in unrestricted net assets	2,796	(14,724)
Net assets, beginning of year	1,058	15,782
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Net assets, end of year	\$ 3,854	\$ 1,058

See accompanying independent auditor's report and notes to the financial statements.

OLEAN LOCAL DEVELOPMENT CORPORATION
STATEMENTS OF CASH FLOWS

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<i>Fiscal years ended May 31,</i>	<u>2014</u>	<u>2013</u>
Cash flows from operating activities:		
Change in net assets	<u>\$ 2,796</u>	<u>\$ (14,724)</u>
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Increase in accounts receivable	(65)	--
Decrease in prepaid expenses	2,660	4,980
Increase in accounts payable	5,847	3,573
Increase (decrease) in deferred revenue/advances	<u>(27,575)</u>	<u>18,175</u>
Total adjustments	<u>(19,133)</u>	<u>26,728</u>
Net cash provided by (used in) operating activities	<u>(16,337)</u>	<u>12,004</u>
Net increase (decrease) in cash	(16,337)	12,004
Cash, at beginning of year	<u>29,546</u>	<u>17,542</u>
Cash, at end of year	<u>\$ 13,209</u>	<u>\$ 29,546</u>

See accompanying independent auditor's report and notes to financial statements.

OLEAN LOCAL DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
FISCAL YEARS ENDED MAY 31, 2014 AND 2013

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NOTE 1 - SUMMARY OF ACCOUNTING POLICIES

Organization

The *Olean Local Development Corporation* (OLDC) is dedicated to the promotion of the economic prosperity and social development of the City of Olean. Its mission includes the desire to renovate Bradner Stadium located in the City of Olean in order to facilitate growth and business around the existing location. In addition, OLDC previously owned a semi-developmental baseball team, the Olean Oilers, which is affiliated with the New York Collegiate Baseball League. On October 21, 2013, OLDC's Board of Directors voted to no longer commit resources required to fielding the baseball team to participate in the New York Collegiate League.

Basis of Accounting

OLDC maintains its financial records on the accrual basis of accounting.

Federal Tax Status

OLDC is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and from New York State income taxes under Article 7-A of the Executive Law. Therefore, no provision has been made for federal or New York State income taxes in the accompanying financial statements. In addition, OLDC qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an Agency other than a private foundation under Section 509 (a)(3). Tax returns for the previous three years are subject to examination by the Internal Revenue Service.

Use of Estimates

The preparation of 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 reported amounts of assets, liabilities, revenues and expenses and disclosure of contingencies. Actual results may differ from those estimates.

Cash

The Organization considers all highly liquid financial instruments purchased with a maturity of three months or less to be cash equivalents.

Contributions and Grants

Contributions are recorded as revenue upon receipt of cash or unconditional promises to give. Contributions are considered available for unrestricted use unless specifically restricted by the donor.

NOTE 2 - PREPAID EXPENSES AND DEFERRED REVENUE/ADVANCES

Player fees received prior to May 31, 2013 for the baseball season that took place in June and July 2013 were recorded as deferred revenue/advance in the Statements of Financial Position as of May 31, 2013. Correspondingly, payments for dues, uniforms, small equipment and other supplies for the 2013 baseball season were recognized as prepaid expenses at May 31, 2013. As mentioned in Note 1, on October 21, 2013, OLDC's Board of Directors voted to no longer commit resources required to fielding a baseball team to participate in the New York Collegiate League. As a result, player fees were not collected and expenditures were not incurred in connection with the 2014 baseball season.

NOTE 3 - BRADNER BASH

On May 30, 2014, OLDC held a fundraising event titled "Bradner Bash" with net proceeds split among three organizations. OLDC received 50% of proceeds while the Olean Diesel semi-professional football team and the Olean Oilers semi-professional baseball team each received 25%. On May 31, 2013, OLDC also held a Bradner Bash and retained 100% of the proceeds for this event. The amount of \$3,220 was owed as of May 31, 2014 to the football and baseball teams related to the event and was included in accounts payable and fundraising event expenses as of and for the year ended May 31, 2014. Remaining accounts payable as of May 31, 2014 and 2013, related to amounts owed to vendors who provided food, drinks and entertainment at the Bradner Bash.

NOTE 4 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through May 22, 2015, which is the date the financial statements were available to be issued.