

SACANDAGA PROTECTION CORPORATION

FINANCIAL STATEMENTS

DECEMBER 31, 2009

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ACCOUNTANTS' REVIEW REPORT

To the Board of Directors
Sacandaga Protection Corporation
Mayfield, NY

We have reviewed the accompanying statement of financial position of Sacandaga Protection Corporation (the Corporation), a nonprofit organization, as of December 31, 2009, and the related statements of activities and cash flows for the five months then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Sacandaga Protection Corporation.

A review consists principally of inquiries of Corporation personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

Our review was made for the purpose of expressing limited assurance that there are no material modifications that should be made to the financial statements in order for them to be in conformity with generally accepted accounting principles. The data included in the Other Financial Information section is presented only for supplementary analysis purposes. Such information has been subjected to the inquiry and analytical procedures applied in the review of the financial statements, and we are not aware of any material modifications that should be made thereto.

WEST & COMPANY CPAs PC

March 25, 2010

SACANDAGA PROTECTION CORPORATION

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2009

- ASSETS -

CURRENT ASSETS:

Cash and cash equivalents	\$ 101,117
Prepaid expenses	8,831
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Total current assets	109,948
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TOTAL ASSETS	\$ 109,948
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- LIABILITIES AND NET ASSETS -

NET ASSETS:

Unrestricted net assets	\$ 109,948
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Total net assets	109,948
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TOTAL LIABILITIES AND NET ASSETS	\$ 109,948
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See accompanying notes and accountants' review report.

SACANDAGA PROTECTION CORPORATION

STATEMENT OF ACTIVITIES

FOR THE FIVE MONTHS ENDED DECEMBER 31, 2009

UNRESTRICTED NET ASSETS:

Revenues:

Contributions \$ 160,714

Total revenues 160,714

Expenses:

Program services 50,334

General and administrative 432

Total expenses 50,766

CHANGE IN UNRESTRICTED NET ASSETS 109,948

NET ASSETS - BEGINNING OF YEAR 0

NET ASSETS - END OF YEAR \$ 109,948

See accompanying notes and accountants' review report.

SACANDAGA PROTECTION CORPORATION

STATEMENT OF CASH FLOWS

FOR THE FIVE MONTHS ENDED DECEMBER 31, 2009

CASH FLOWS FROM OPERATING ACTIVITIES:	
Increase in net assets	\$ 109,948
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
(Increase) in:	
Prepaid expenses	<u>(8,831)</u>
Net cash provided by operating activities	<u>101,117</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	101,117
CASH AND CASH EQUIVALENTS - BEGINNING	<u>0</u>
CASH AND CASH EQUIVALENTS - ENDING	<u><u>\$ 101,117</u></u>

See accompanying notes and accountants' review report.

SACANDAGA PROTECTION CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

Sacandaga Protection Corporation was formed in August, 2009, to develop and promote strategies to protect the environmental, economic and legal interests of Sacandaga Lake users, permit holders and property taxpayers.

Financial Statement Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations* (ASC 958). Under SFAS No. 117 (ASC 958), the Corporation is required to report information regarding its financial position and activities based on the existence or absence of donor-imposed restrictions according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. Donor-restricted contributions whose restrictions are met within the same year as received are reflected in the accompanying financial statements as unrestricted contributions.

Income Tax Status

The Corporation is a nonprofit organization exempt from federal income tax under Section 501(c) 4 of the Internal Revenue Code.

Basis of Accounting

The Corporation reports financial position and activities under the accrual method of accounting in accordance with generally accepted accounting principles.

Cash and Cash Equivalents

Cash and cash equivalents includes all short-term investments with an original maturity of three months or less.

Expense Allocation

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities and in the schedule of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Donated Services

No amounts have been reflected in the financial statements for donated services, as they do not meet the requirements for recognition; however, a substantial number of volunteers have donated significant amounts of their time to program services.

Contributions

The Corporation records contributions and grants when they are received.

Advertising

Advertising costs are expensed as incurred. Advertising expense was \$156 for the year ended December 31, 2009.

SACANDAGA PROTECTION CORPORATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that can affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 – SUBSEQUENT EVENTS

The Corporation has evaluated subsequent events through the issuance date of the report. None were considered material to the issued financial statements.

SACANDAGA PROTECTION CORPORATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE FIVE MONTHS ENDED DECEMBER 31, 2009

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Total</u>
Advertising	\$ 156	\$ 0	\$ 156
Contract services	0	432	432
Dues	231	0	231
Printing	3,552	0	3,552
Office supplies	861	0	861
Postage	2,533	0	2,533
Insurance	256	0	256
Legal expenses	42,745	0	42,745
TOTAL FUNCTIONAL EXPENSES	<u>\$ 50,334</u>	<u>\$ 432</u>	<u>\$ 50,766</u>

See accountants' review report.