

**CATTARAUGUS REGION
COMMUNITY FOUNDATION**

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL MATERIAL**

**YEARS ENDED
DECEMBER 31, 2012 AND 2011**

CATTARAUGUS REGION COMMUNITY FOUNDATION

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Cattaraugus Region Community Foundation
Olean, New York

We have audited the accompanying financial statements of ***Cattaraugus Region Community Foundation***, which comprise the statements of financial position as of December 31, 2012 and 2011, 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.

Auditors' 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 audits to obtain reasonable assurance about whether the financial statements are free of 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 auditors' 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 ***Cattaraugus Region Community Foundation*** as of December 31, 2012 and 2011, and the changes in its net assets and its cash flows for the year 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.

Jamestown, New York
May 15, 2013

CATTARAUGUS REGION COMMUNITY FOUNDATION
STATEMENTS OF FINANCIAL POSITION

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<i>As of December 31,</i>	2012	2011
Assets		
Current		
Cash and cash equivalents	\$ 1,227,497	\$ 934,514
Pledges receivable	200,000	- -
Other receivables	300	1,000
Prepaid expense	7,185	8,183
Total current assets	1,434,982	943,697
Investments	8,966,394	8,148,825
	\$ 10,401,376	\$ 9,092,522
Liabilities and Net Assets		
Current liabilities		
Accounts payable	\$ 8,251	\$ 7,742
Funds held for Agencies	34,325	29,216
Total liabilities	42,576	36,958
Unrestricted net assets		
Endowment	9,372,931	8,495,393
Non-Endowed	899,525	459,268
Operations/administration	86,344	100,903
Total net assets	10,358,800	9,055,564
	\$ 10,401,376	\$ 9,092,522

See accompanying independent auditors' report and notes to financial statements.

CATTARAUGUS REGION COMMUNITY FOUNDATION
STATEMENTS OF ACTIVITIES

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<i>Years ended December 31,</i>	2012	2011
Support and Revenue		
Gifts and donations	\$ 790,772	\$ 378,206
Unrealized gains (losses)	812,582	(401,418)
Gains (losses) on sale of securities	24,822	(123,084)
Administrative fees	350	400
Interest and dividends	268,582	231,794
Total support and revenue	1,897,108	85,898
Expenses		
Program services	51,473	69,142
Management and general	137,092	138,164
Grants to others	405,307	409,454
Total expenses	593,872	616,760
Change in net assets	1,303,236	(530,862)
Net assets, at beginning of year	9,055,564	9,586,426
Net assets, at end of year	\$ 10,358,800	\$ 9,055,564

See accompanying independent auditors' report and notes to financial statements.

CATTARAUGUS REGION COMMUNITY FOUNDATION
STATEMENTS OF CASH FLOWS

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Years ended December 31,	2012	2011
Cash flows from operating activities		
Change in net assets	\$ 1,303,236	\$ (530,862)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Unrealized (gains) losses on investments	(812,582)	401,418
Realized (gains) losses on investments	(24,822)	123,084
Change in operating assets and liabilities:		
Pledges receivable	(200,000)	- -
Other receivables	700	(695)
Prepaid expense	998	(1,181)
Assets held for the benefit of other organizations	5,109	1,271
Accounts payable	509	(6,248)
Net cash provided by (used in) operating activities	273,148	(13,213)
Cash flows from investing activities		
Sale of investments	421,168	820,260
Purchase of investments	(401,333)	(334,539)
Net cash provided by investing activities	19,835	485,721
Net change in cash	292,983	472,508
Cash and cash equivalents, at beginning of year	934,514	462,006
Cash and cash equivalents, at end of year	\$ 1,227,497	\$ 934,514

See accompanying independent auditors' report and notes to financial statements.

CATTARAUGUS REGION COMMUNITY FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

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NOTE 1 - SUMMARY OF ACCOUNTING POLICIES

Nature of Operations

Cattaraugus Region Community Foundation (the Foundation), an affiliated organization of the Greater Olean Area Chamber of Commerce, was formed on September 20, 1994. The Foundation was formed to solicit, receive, and maintain endowment funds for the benefit of charitable endeavors in the greater Olean, New York area. In addition, the organization is exempt from New York State income tax. On March 1, 2006, the Foundation filed an Assumed Name Certificate and began conducting business as *Cattaraugus Region Community Foundation*.

Basis of Accounting

The financial statements of *Cattaraugus Region Community Foundation* have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Topic 958, *Not-for-Profit Entities*. Under this topic, the Foundation 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. The Foundation does not have any assets that would be considered temporarily and permanently restricted.

Variance Power

Generally accepted accounting principles provide that if the governing body of an organization has the unilateral power to redirect the use of a donor's contribution to another beneficiary, such contributions must be classified as unrestricted net assets. During 2006, the bylaws of the Foundation were amended to include a variance power provision giving the Board of Directors the power to vary the use of funds if the stated purpose of a contribution becomes no longer applicable and therefore, incapable of fulfillment. Based on this provision, all contributions received by the Foundation, except for contributions to Agency Funds as described in Note 4, are reported as unrestricted revenues. Accordingly, the Foundation's financial statements classify substantially all funds, including the corpus of endowment funds, as unrestricted net assets, but segregate for internal management and endowment record keeping the portion that is held as endowment from the funds that are currently available for grants.

Reclassifications

Certain amounts in the prior year financial statements have been reclassified to conform to the current presentation.

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES
(CONT'D)

Fund Accounting

In order to account for assets, liabilities, revenues, and expenditures directly related to certain activities, separate funds are used by the Foundation.

Contributions

Gifts of cash and other assets received are reported as unrestricted revenue and net assets, unless subject to time restrictions. All contributions are recorded at fair value when the Foundation becomes aware of them. It is the Foundation's policy to liquidate gifts of stocks and securities as soon as possible. Any gain or loss on liquidation is allocated to the fund that received the donation.

Gifts of land, buildings, equipment and other long-lived assets are also reported as unrestricted revenues and net assets. They are reported at estimated fair value and capitalized, with depreciation being taken over their estimated useful lives.

Donated Services

Donated services are recognized as contributions in accordance with Financial Accounting Standards Board Topic 958-605, *Not-for-Profit Entities – Revenue Recognition - Contributed Services*, if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation. The Foundation does not recognize any donated services, but many individuals volunteer their time and perform a variety of tasks that assist the Foundation with specific programs and various committee assignments.

Grants

Grants are recorded as expenses of unrestricted net assets when approved by the Board of Directors.

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, the Foundation considers all unrestricted cash in operating bank accounts, cash on hand and cash in money market accounts and certificates of deposit to be cash and cash equivalents.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses.

CATTARAUGUS REGION COMMUNITY FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES (CONT'D)

Net Assets

Net Assets of the Foundation are segregated based on the type of fund the donor agrees to and are defined below as:

Endowed Fund – An endowed fund is expected to last in perpetuity. The Foundation requires an initial deposit of \$5,000 and the fund must have a balance of at least \$5,000 in order to issue grants.

Non-Endowed Fund – A non-endowed fund is not expected to last in perpetuity and is created with the intent of distributing the entire balance in a short period of time.

Operations/administration – Unrestricted net assets for the operation/administration of the Foundation.

NOTE 2 - PROPERTY AND EQUIPMENT

As of December 31, 2012 and 2011, the Foundation has various fully depreciated furniture and equipment at an original cost basis of \$37,793.

NOTE 3 – PLEDGES RECEIVABLE

During the year ended December 31, 2012 the Foundation recorded pledges receivable in the amount of \$150,000 and \$50,000 from two local businesses. Both pledges are considered current and are expected to be paid in full during 2013.

NOTE 4 - INVESTMENTS

The Foundation maintains its investments in one Financial Institution located in Olean, New York. Investments are presented in the financial statements in the aggregate at fair market value.

As of December 31, 2012:

	<u>Cost</u>	<u>Market Value</u>
Mutual Funds/Stocks	\$ 8,241,726	\$ 8,966,394

As of December 31, 2011:

	<u>Cost</u>	<u>Market Value</u>
Mutual Funds/Stocks	\$ 8,232,185	\$ 8,148,825

Sales of investments resulted in net realized gains (losses) of \$24,822 and \$(123,084) at December 31, 2012 and 2011, respectively. For purposes of determining the gain or loss on a sale, the cost of securities sold is based on the first in first out (FIFO) cost method for mutual funds and the specific identification method for all other investments. The fair values for investments are based primarily on quoted market prices.

NOTE 4 – INVESTMENTS (CONT'D)

Return on investments is as follows for the years ended:

	<u>2012</u>	<u>2011</u>
Realized gains (losses)	\$ 24,822	\$ (123,084)
Unrealized gains (losses)	812,582	(401,418)
Interest and dividends	268,582	231,794
Return on investment	<u>\$ 1,105,986</u>	<u>\$ (292,708)</u>

As of December 31, 2012 and 2011 there were 10 funds and 18 funds whose market value was below their historic cost value totaling approximately \$324,000 and \$776,000, respectively.

NOTE 5 - FUNDS HELD FOR AGENCIES

The Foundation adopted the Financial Accounting Standards Board Topic 958-605, *Not-for-Profit Entities – Revenue Recognition - Transfers of Assets to Not-for-Profit Entity or Charitable Trust that Raises or Holds Contributions for Others*. This Topic establishes standards for transactions in which the Foundation accepts a contribution from a donor and agrees to transfer those assets, the return on investment of those assets or both, to a not-for-profit organization (NPO) that is specified by the donor. This Topic specifically requires that if the donor is a NPO that established a fund at the Foundation using its own funds and for its own benefit, the Foundation must account for such assets as a liability. The Foundation refers to these as Agency Funds.

The Foundation maintains variance power and legal ownership of Agency Funds and as such continues to report the funds as assets of the Foundation. However, in accordance with the Topic, a liability has been established for the fair value of the funds, which is generally equivalent to the present value of future payments expected to be made to the NPO.

All financial activity related to those agency funds is recorded as adjustments to the funds held for agencies liability on the statements of financial position and is omitted from the statements of activities.

The Foundation holds two funds which are as follows; Cattaraugus County Council on Alcoholism and Center for Family Unity. The total amount held for these funds as of December 31, 2012 and 2011 was \$34,325 and \$29,216, respectively. The Center for Family Unity closed its fund account with the Foundation during 2012.

CATTARAUGUS REGION COMMUNITY FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

NOTE 5 - FUNDS HELD FOR AGENCIES (CONT'D)

The change in the funds held for agencies consists of the following for the years ended December 31:

	2012	2011
Additions:		
Gifts and donations	\$ 10,079	\$ 2,505
Unrealized gains (losses)	1,444	(809)
Gains (losses) on sale of securities	1,465	(820)
Interest and dividends	891	795
Total additions	13,879	1,671
Expenditures:		
Grants to others	8,420	--
Management and general	350	400
Total expenditures	8,770	400
Net change:	\$ 5,109	\$ 1,271

NOTE 6 - FEDERAL TAX STATUS

The Foundation is a not-for-profit organization, exempt from federal income taxes under Section 501(c)(3) of the United States Internal Revenue Code. Contributions to the Foundation are deductible under section 170(c) of the Code. The Foundation is not a private foundation as described in Section 509(a) of the Code. Income tax returns that remain open for examination by taxing authorities include 2009 and later years.

NOTE 7 - CONCENTRATION OF CREDIT RISKS

The Foundation maintains its cash balances in two financial institutions in Olean, New York. The Federal Deposit Insurance Corporation insures up to \$250,000 of demand deposit balances. At December 31, 2012, the Foundation's uninsured cash balances totaled approximately \$718,000.

NOTE 8 - RELATED PARTY

The Foundation has entered into a shared service agreement with the Greater Olean Area Chamber of Commerce. Under the shared service agreement, the Greater Olean Area Chamber of Commerce is reimbursed for a portion of personal services and use of office space and equipment. The total amounts paid to the Greater Olean Area Chamber of Commerce amounted to \$26,610 and \$33,313 for the years ended December 31, 2012 and 2011, respectively. Included in accounts payable on the Statements of Financial Position as of December 31, 2012 and 2011 was \$6,689 and \$6,415, respectively, that the Foundation owed to the Greater Olean Area Chamber of Commerce for these shared services.

NOTE 9 - ENDOWMENTS

Return Objectives and Risk Parameters

The primary investment objective of the Foundation is to maximize long-term real (after inflation) investment returns recognizing established risk parameters and the need to preserve capital. The possibility of short-term declines in market value is acceptable in order to achieve potentially higher long-term investment returns. CRCF has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Under NYPMIFA, adopted by New York State in September 2010, the Foundation, at its discretion, has the ability to distribute endowment assets below the donor's original dollar value of the gift.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The objectives shall be accomplished by utilizing a strategy of equities, fixed income and cash equivalents in a mix that is conducive to participation in a rising market while allowing for adequate protection in a falling market.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Foundation's spending policy has been revised to comply with the requirements of the New York Prudent Management of Institutional Funds Act (NYPMIFA). A summary of the terms of the spending policy are as follows:

	Effective 1/1/2012	Effective 1/1/2011
Spending percentage:		
Grant spending	3.25%	3.75%
Administrative fees	1.25%	1.25%
Total	4.50%	5.00%
Calculation period:		
Grant spending	Trailing 20 quarters	Trailing 20 quarters
Administrative fees	Trailing 16 quarters or \$200 whichever is greater	Trailing 16 quarters or \$200 whichever is greater

Under the spending policy, distributions are based on the endowments average fair value over the calculation period as described above. This spending strategy reflects the total return approach to investing and disbursing funds as described above. Grant spending is dependent upon the type of fund established (endowed versus non-endowed).

CATTARAUGUS REGION COMMUNITY FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

NOTE 10 - FAIR VALUE MEASUREMENTS

The Foundation's investments are reported at fair value in the accompanying statements of financial position. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurement at the reporting date. FASB ASC 820-10-50 (formerly SFAS No. 157), Fair Value Measurements, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. As presented in the table below, this hierarchy consists of three broad levels. Level 1 inputs on the hierarchy consist of unadjusted quoted prices in active markets and have the highest priority. Level 2 inputs consist of quoted prices in active markets for similar assets or liabilities or quoted prices in inactive markets for identical or similar assets or liabilities. Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement, and have the lowest priority. The Foundation uses appropriate valuation techniques based on available inputs to measure the fair value of the Foundation's investments. When available, the Foundation measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 2 and Level 3 inputs are only used when Level 1 inputs are not available. As of December 31, the Foundation's investments measured at fair value consisted of the following instruments and classifications within the fair value hierarchy.

	Quoted Prices in Active Markets for Identical Assets (Level I)	Significant Other Observable Inputs (Level II)	Significant Unobservable Inputs (Level III)	Total at December 31, 2012
Cash and cash equivalents	\$ 1,227,497	\$ --	\$ --	\$ 1,227,497
Mutual funds – Growth & Income	1,475,812	--	--	1,475,812
Mutual funds – Growth	1,550,557	--	--	1,550,557
Mutual funds – Equity	1,009,043	--	--	1,009,043
Mutual funds – Balanced	2,782,487	--	--	2,782,487
Mutual funds – Other	644,226	--	--	644,226
Bond funds	1,504,269	--	--	1,504,269
Common stocks	--	--	--	--
Total	<u>\$ 10,193,891</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 10,193,891</u>

	Quoted Prices in Active Markets for Identical Assets (Level I)	Significant Other Observable Inputs (Level II)	Significant Unobservable Inputs (Level III)	Total at December 31, 2011
Cash and cash equivalents	\$ 934,514	\$ --	\$ --	\$ 934,514
Mutual funds – Growth & Income	1,360,116	--	--	1,360,116
Mutual funds – Growth	1,320,879	--	--	1,320,879
Mutual funds – Equity	934,666	--	--	934,666
Mutual funds – Balanced	1,374,977	--	--	1,374,977
Mutual funds – Other	377,726	--	--	377,726
Bond funds	2,014,351	--	--	2,014,351
Common stocks	766,110	--	--	766,110
Total	<u>\$ 9,083,339</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 9,083,339</u>

NOTE 11 – SUBSEQUENT EVENTS

Subsequent events were evaluated by Management through May 15, 2013, which is the date the financial statements were available to be issued.



INDEPENDENT ACCOUNTANTS' REPORT ON SUPPLEMENTAL MATERIAL

We have audited the financial statements of *Cattaraugus Region Community Foundation* as of and for the years ended December 31, 2012 and 2011 and our report thereon dated May 15, 2013, which expressed an unqualified opinion on the financial statements, appears on page 1. Our audits were conducted for the purpose of forming an opinion on those statements taken as a whole. The supplemental material, which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Buffamante Whipple Buttafaro, P.C.

BUFFAMANTE WHIPPLE BUTTAFARO, P.C.

**Jamestown, New York
May 15, 2013**

Year ended December 31, 2012

	UNRESTRICTED ENDOWMENT									
	Mildred Milliman Fund	Beautification Fund	Tyler Bihler Memorial Scholarship	Burt Scholarship	Challenger Learning Center Fund	Sam Costa	Paula Flint Fund for Performing Arts	Food Pantry	Gator Fund	Gift Tree
Support and Revenue:										
Gifts and donations	\$ --	\$ 2,972	\$ 8,338	\$ 1,600	\$ 1,000	\$ --	\$ --	\$ 3,120	\$ --	\$ 50
Unrealized gains (losses)	516,746	594	1,124	5,901	38	7,686	200	2,893	-	3,781
Gains (losses) on sale of securities	11,092	23	--	184	--	451	--	295	--	86
Administrative fees	(75,836)	(200)	(200)	(806)	(100)	(1,080)	(200)	(400)	--	(524)
Interest and dividends	164,337	361	442	1,891	20	2,529	64	988	--	1,196
Interfund transfer	--	--	--	--	--	--	--	--	(99)	--
Total support and revenue	616,339	3,750	9,704	8,770	958	9,586	64	6,896	(99)	4,589
Expenses:										
Program services	--	--	--	--	--	--	--	--	--	--
Management and general	--	--	--	--	--	--	--	--	--	--
Grants to others	195,531	--	--	3,000	--	3,098	--	--	--	1,600
Total expenses	195,531	--	--	3,000	--	3,098	--	--	--	1,600
Change in net assets	420,808	3,750	9,704	5,770	958	6,488	64	6,896	(99)	2,989
Net assets, at beginning of year	5,556,786	7,747	10,793	63,734	--	84,742	2,246	32,915	99	39,203
Net assets, at end of year	\$ 5,977,594	\$ 11,497	\$ 20,497	\$ 69,504	\$ 958	\$ 91,230	\$ 2,310	\$ 39,811	\$ --	\$ 42,192

See accompanying independent accountants' report on supplemental material.

Year ended December 31, 2012

UNRESTRICTED ENDOWMENT (CONTINUED)

	Hinsdale Scholarship	Mohammad & Sakeena Iqbal Award	Joann Wehmeyer English Scholarship	The Jamie Fund	James M Kelly Endowment	F. Donald Kenney	Kothari Family Endowment	Mahar Family Foundation	Manual Trust	Pat McGee Endowment
Support and Revenue:										
Gifts and donations	\$ 2,615	\$ 6,100	\$ 4,648	\$ 745	\$ --	\$ --	\$ 4,649	\$ 5,000	\$ 513	\$ --
Unrealized gains (losses)	3,498	830	965	817	--	49,310	4,679	90	2,902	3,079
Gains (losses) on sale of securities	--	2	--	--	--	2,412	524	2,130	104	--
Administrative fees	(418)	(200)	(200)	(200)	--	(6,804)	(714)	(267)	(395)	(455)
Interest and dividends	1,126	462	300	269	--	16,095	1,990	749	943	972
Interfund transfer	--	--	--	--	52	--	--	--	--	--
Total support and revenue	6,821	7,194	5,713	1,631	52	61,013	11,128	7,702	4,067	3,596
Expenses:										
Program services	--	--	--	--	--	--	--	--	--	--
Management and general	--	--	--	--	--	--	--	--	--	--
Grants to others	1,000	500	1,000	--	--	19,483	2,250	2,150	1,500	800
Total expenses	1,000	500	1,000	--	--	19,483	2,250	2,150	1,500	800
Change in net assets	5,821	6,694	4,713	1,631	52	41,530	8,878	5,552	2,567	2,796
Net assets, at beginning of year	37,946	10,276	11,214	9,170	(52)	545,656	57,227	25,230	31,657	35,121
Net assets, at end of year	\$ 43,767	\$ 16,970	\$ 15,927	\$ 10,801	\$ --	\$ 587,186	\$ 66,105	\$ 30,782	\$ 34,224	\$ 37,917

See accompanying independent accountants' report on supplemental material.

Year ended December 31, 2012

UNRESTRICTED ENDOWMENT (CONTINUED)

	John J. Meiers Scholarship	John J. Murphy Family Scholarship	Otto Eldred Alumni	Michael Parks Scholarship	Rose Pappas Endowment	Luella Potter	Mark J. Prockton Memorial Scholarship	Doris Reisner Endowment	Lewis and Doris Reisner Endowment	St. Johns Church Endowment
Support and Revenue:										
Gifts and donations	\$ --	\$ 51,000	\$ 7,380	\$ --	\$ 4,710	\$ --	\$ 200	\$ --	\$ --	\$ 25
Unrealized gains (losses)	301	77,644	1,951	--	936	4,655	903	17,291	21,446	3,304
Gains (losses) on sale of securities	--	2,811	--	--	21	160	--	194	32	--
Administrative fees	(200)	(9,612)	(228)	--	(200)	(621)	(200)	(2,265)	(2,746)	(432)
Interest and dividends	96	27,856	661	--	521	1,498	282	5,940	6,690	1,050
Interfund transfer	--	--	--	(2)	--	--	--	--	--	--
Total support and revenue	197	149,699	9,764	(2)	5,988	5,692	1,185	21,160	25,422	3,947
Expenses:										
Program services	--	--	--	--	--	--	--	--	--	--
Management and general	--	--	--	--	--	--	--	--	--	--
Grants to others	--	50,000	1,000	--	4,408	1,593	500	6,307	7,721	--
Total expenses	--	50,000	1,000	--	4,408	1,593	500	6,307	7,721	--
Change in net assets	197	99,699	8,764	(2)	1,580	4,099	685	14,853	17,701	3,947
Net assets, at beginning of year	3,397	898,339	21,279	2	15,566	50,729	10,112	187,760	224,936	37,216
Net assets, at end of year	\$ 3,594	\$ 998,038	\$ 30,043	\$ --	\$ 17,146	\$ 54,828	\$ 10,797	\$ 202,613	\$ 242,637	\$ 41,163

See accompanying independent accountants' report on supplemental material.

CATTARAUGUS REGION COMMUNITY FOUNDATION
SCHEDULE OF ACTIVITIES BY FUND

Year ended December 31, 2012

UNRESTRICTED ENDOWMENT (CONCLUDED)

	Pete Schussele Scholarship	Ben & Rose Schwabenbauer Educational Scholarship	Stitt Family Fund	T-A-D-J-M Foundation	Visual Arts Alliance	Kaleigh Wilday Endowment	Kay and Oliver Williams	Wing Ski Club	OBI - McCarthy	Operating	Total Endowment
Support and Revenue:											
Gifts and donations	\$ --	\$ 9,050	\$ 130,000	\$ --	\$ --	\$ 13,725	\$ --	\$ --	\$ 900	\$ 5,850	\$ 264,190
Unrealized gains (losses)	175	552	(348)	347	6,192	12,975	15,334	511	6,909	--	776,211
Gains (losses) on sale of securities	--	--	--	--	447	323	780	341	1,095	--	23,507
Administrative fees	(200)	(200)	(94)	(200)	(840)	(1,664)	(2,164)	(200)	(950)	--	(112,015)
Interest and dividends	60	496	495	110	2,041	4,167	4,987	332	2,498	--	254,514
Interfund transfer	--	--	--	--	--	--	--	--	--	--	(49)
Total support and revenue	35	9,898	130,053	257	7,840	29,526	18,937	984	10,452	5,850	1,206,358
Expenses:											
Program services	--	--	--	--	--	--	--	--	--	--	--
Management and general	--	--	--	--	--	--	--	--	--	--	--
Grants to others	500	500	--	--	2,500	10,000	6,379	3,500	2,000	--	328,820
Total expenses	500	500	--	--	2,500	10,000	6,379	3,500	2,000	--	328,820
Change in net assets	(465)	9,398	130,053	257	5,340	19,526	12,558	(2,516)	8,452	5,850	877,538
Net assets, at beginning of year	2,509	10,234	--	3,906	66,622	134,249	168,482	11,693	83,674	2,978	8,495,393
Net assets, at end of year	\$ 2,044	\$ 19,632	\$ 130,053	\$ 4,163	\$ 71,962	\$ 153,775	\$ 181,040	\$ 9,177	\$ 92,126	\$ 8,828	\$ 9,372,931

See accompanying independent accountants' report on supplemental material.

Year ended December 31, 2012

	UNRESTRICTED NON-ENDOWED										
	Allegany Community Beautification Fund	Allegany Nordic Fund	Anonymous II	Audible Signals for Olean	Carroll Anstaett Olean Little League	Challenger Learning Center	Community Warmth Fund	Continental 1 Corridor Fund	Cuba Lake Area Young Sailors' Fund	Dictionary Fund	Family Partners Group Fund
Support and Revenue:											
Gifts and donations	\$ 6,241	\$ 2,365	\$ 10,000	\$ --	\$ --	\$ --	\$ 1,750	\$ 302,500	\$ 13,700	\$ 348	\$ 2,700
Unrealized gains (losses)	667	211	1,258	909	9,596	--	--	--	227	134	(14)
Gains (losses) on sale of securities	--	--	121	--	614	--	--	--	--	--	--
Administrative fees	(200)	(200)	(200)	(200)	(1,354)	--	(200)	(55)	(100)	(200)	(33)
Interest and dividends	153	79	713	290	3,176	--	2	--	260	35	30
Interfund transfer	--	--	--	--	--	972	--	--	--	--	--
Total support and revenue	6,861	2,455	11,892	999	12,032	972	1,552	302,445	14,087	317	2,683
Expenses:											
Program services	8,135	--	--	--	--	--	--	--	--	420	--
Management and general	--	--	--	--	--	--	--	--	--	--	--
Grants to others	--	886	--	--	5,289	--	1,752	--	--	--	750
Total expenses	8,135	886	--	--	5,289	--	1,752	--	--	420	750
Change in net assets	(1,274)	1,569	11,892	999	6,743	972	(200)	302,445	14,087	(103)	1,933
Net assets, at beginning of year	7,716	2,848	19,354	9,806	106,792	(972)	200	--	--	1,636	--
Net assets, at end of year	\$ 6,442	\$ 4,417	\$ 31,246	\$ 10,805	\$ 113,535	\$ --	\$ --	\$ 302,445	\$ 14,087	\$ 1,533	\$ 1,933

See accompanying independent accountants' report on supplemental material.

Year ended December 31, 2012

UNRESTRICTED NON-ENDOWED (CONTINUED)

	Higgins Memorial Fund	Hillview Playground	Horse Resource Fund	Michele Krahe Peace Fund	John Muir Book Fund	Kids and Cancer Fund	Mountain Sports	Olean Beautification Fund	Olean Meditation Center	Olean School District	Jonathan Teuscher Scholarship
Support and Revenue:											
Gifts and donations	\$ 5,915	\$ --	\$ 2,650	\$ 100	\$ 5,575	\$ 5,000	\$ 1,650	\$ --	\$ 46,892	\$ 51,749	\$ 1,460
Unrealized gains (losses)	(46)	283	62	--	34	--	459	--	2,322	1,821	6,151
Gains (losses) on sale of securities	--	--	--	--	--	--	--	--	261	--	221
Administrative fees	(67)	(200)	(133)	--	(117)	(17)	(200)	--	(451)	(329)	(962)
Interest and dividends	104	34	28	--	29	--	157	--	1,435	613	1,910
Interfund transfer	--	--	--	--	--	--	--	(47)	--	--	--
Total support and revenue	5,906	117	2,607	100	5,521	4,983	2,066	(47)	50,459	53,854	8,780
Expenses:											
Program services	--	--	--	--	--	--	--	--	--	42,769	--
Management and general	--	--	--	--	--	--	--	--	--	--	--
Grants to others	--	3,350	--	--	--	--	400	--	8,000	7,296	8,125
Total expenses	--	3,350	--	--	--	--	400	--	8,000	50,065	8,125
Change in net assets	5,906	(3,233)	2,607	100	5,521	4,983	1,666	(47)	42,459	3,789	655
Net assets, at beginning of year	--	3,233	--	--	--	--	4,895	47	53,660	25,853	68,348
Net assets, at end of year	\$ 5,906	\$ --	\$ 2,607	\$ 100	\$ 5,521	\$ 4,983	\$ 6,561	\$ --	\$ 96,119	\$ 29,642	\$ 69,003

See accompanying independent accountants' report on supplemental material.

CATTARAUGUS REGION COMMUNITY FOUNDATION
SCHEDULE OF ACTIVITIES BY FUND

Year ended December 31, 2012

	UNRESTRICTED NON-ENDOWED (CONCLUDED)										
	Ralph Anastasia Music Scholarship	Allegheny River Trail	Salamanca Area Senior Center	Santa Claus Lane	Catt. Co. Law Enforcement Fund		So. Tier Military Support Group	STAB It Foundation Fund	Woodland in the City Fund	Unrestricted	Total Nonendowed
Support and Revenue:											
Gifts and donations	\$ 358	\$ 450	\$ --	\$ --	\$ 7,471	\$ 29,652	\$ 9,828	\$ 4,100	\$ 20	\$ 10,608	\$ 523,082
Unrealized gains (losses)	318	1,608	2,042	1,772	24	(32)	1,977	--	1,744	2,844	36,371
Gains (losses) on sale of securities	--	134	--	--	(4)	(32)	--	--	--	--	1,315
Administrative fees	(200)	(254)	(298)	(226)	(7)	(97)	(275)	(33)	(218)	(362)	(7,188)
Interest and dividends	44	816	609	565	8	473	650	--	554	945	13,712
Interfund transfer	--	--	--	--	--	--	--	--	--	--	925
Total support and revenue	520	2,754	2,353	2,111	7,492	29,964	12,180	4,067	2,100	14,035	568,217
Expenses:											
Program services	--	--	--	--	--	--	--	--	149	--	51,473
Management and general	--	--	--	--	--	--	--	--	--	--	--
Grants to others	5,000	190	3,657	--	6,920	6,558	8,312	--	--	10,002	76,487
Total expenses	5,000	190	3,657	--	6,920	6,558	8,312	--	149	10,002	127,960
Change in net assets	(4,480)	2,564	(1,304)	2,111	572	23,406	3,868	4,067	1,951	4,033	440,257
Net assets, at beginning of year	4,654	22,334	24,976	19,939	--	--	23,178	--	19,627	41,144	459,268
Net assets, at end of year	\$ 174	\$ 24,898	\$ 23,672	\$ 22,050	\$ 572	\$ 23,406	\$ 27,046	\$ 4,067	\$ 21,578	\$ 45,177	\$ 899,525

See accompanying independent accountants' report on supplemental material.

CATTARAUGUS REGION COMMUNITY FOUNDATION
SCHEDULE OF ACTIVITIES BY FUND

Year ended December 31, 2012

	OPERATIONS/ ADMINISTRATION	TOTAL NET ASSETS
	Operating	Total Net Assets
Support and Revenue:		
Gifts and donations	\$ 3,500	\$ 790,772
Unrealized gains (losses)	-	812,582
Gains (losses) on sale of securities	-	24,822
Administrative fees	119,553	350
Interest and dividends	356	268,582
Interfund transfer	(876)	-
Total support and revenue	122,533	1,897,108
Expenses:		
Program services	-	51,473
Management and general	137,092	137,092
Grants to others	-	405,307
Total expenses	137,092	593,872
Change in net assets	(14,559)	1,303,236
Net assets, at beginning of year	100,903	9,055,564
Net assets, at end of year	\$ 86,344	\$ 10,358,800

See accompanying independent accountants' report on supplemental material.

CATTARAUGUS REGION COMMUNITY FOUNDATION
SCHEDULE OF ACTIVITIES BY FUND

Year ended December 31, 2012

	TOTAL FUNDS HELD FOR OTHERS		
	Cattaraugus County Council on Alcoholism	Center for Family Unity	Total Funds Held for Others
Support and Revenue:			
Gifts and donations	\$ 10,079	\$ --	\$ 10,079
Unrealized gains (losses)	2,123	(679)	1,444
Gains (losses) on sale of securities	--	1,465	1,465
Administrative fees	(200)	(150)	(350)
Interest and dividends	802	89	891
Interfund transfer	--	--	--
Total support and revenue	12,804	725	13,529
Expenditures:			
Program services	--	--	--
Management and general	--	--	--
Grants to others	--	8,420	8,420
Total expenditures	--	8,420	8,420
Change in net assets	12,804	(7,695)	5,109
Net assets, at beginning of year	21,521	7,695	29,216
Net assets, at end of year	\$ 34,325	\$ --	\$ 34,325

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