

**Reviewed Financial Statements
Community Foundation for the Twin Tiers**

**Statement of Assets, Liabilities, and Net Assets – Income Tax Basis
December 31, 2006**

Assets

Current Assets

Cash/Checking	\$ (999)
Certificates of Deposit 648	3,649
Money Market	17,299
Savings	11,743
Mutual Fund Investments	215,015
Pledges Receivable	<u>817</u>
Total Current Assets	247,524
Total Assets	<u>\$247,524</u>

Liabilities and Net Assets

Liabilities

Grants Payable	6,576
Distributions Payable	3,325
Keeffe Reward Fund	<u>40,215</u>
Total Liabilities	50,116
Net Assets	<u>197,408</u>
Total Liabilities and Net Assets	<u>\$247,524</u>

Community Foundation for the Twin Tiers
Statement of Revenues, Expenses, and Other Changes in Net Assets – Income Tax Basis
Year Ended, December 31, 2006

Revenue	
Donations	\$166,398
Interest Income	778
Dividends & Capital Gain Distributions	9,387
Unrealized Gain on Investments	<u>2,417</u>
Total Revenue	\$178,980
Program Expenses	
Office Expense	306
Admin Fees	948
Insurance	1,175
Dues & Subscriptions	500
Meetings/Board Expenses	255
Miscellaneous	323
Donations (Grants & Keeffe Reward Fund)	48,284
Registrations	399
Marketing (Advertising, Annual Report, Website)	4,540
Bank Charges	30
Fundraising	1,066
Business Meals (Professional Advisors)	218
Telephone	661
Postage	460
Rent	1,200
Printing	<u>281</u>
Total Expenses	<u>60,646</u>
Change in Net Assets	118,334
Net Assets, Beginning of Year	<u>79,074</u>
Net Assets, End of Year	<u>\$197,408</u>

Notes to the Financial Statements
December 31, 2006

1. Summary of Significant Accounting Policies

Community Foundation for the Twin Tiers is a charitable organization which is exempt from taxation under the Internal Revenue code 501(c)(3). The organization was formed to create endowment funds to benefit the community.

The organization uses the income tax basis of accounting to prepare its financial statements. The income tax basis of accounting is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

Estimates

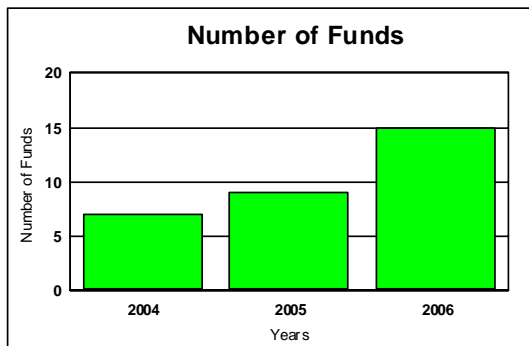
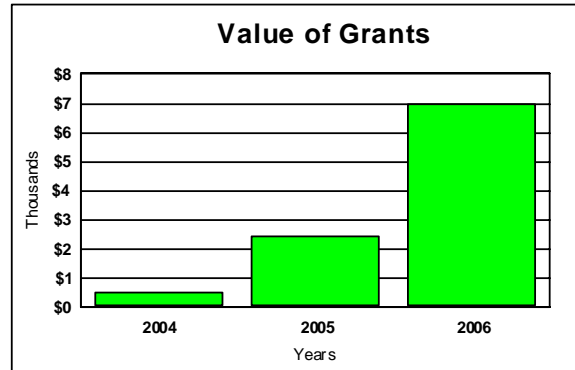
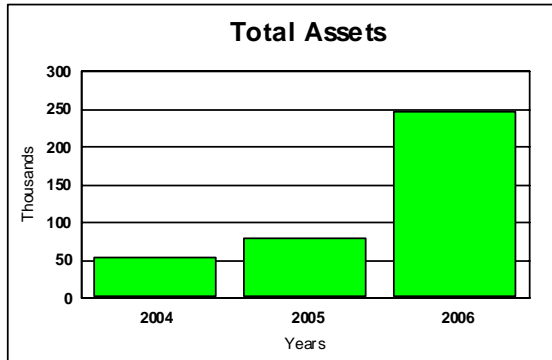
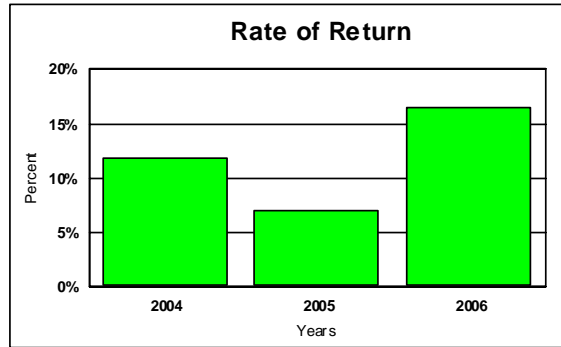
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America Requires the use of management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those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

2. Investments

Investments held by the organization are recorded at fair market value.

Snapshot of the Growth of the Community Foundation for the Twin Tiers 2004 - 2006

Rate of Return for 2006: The CFTT in 2006 earned 16.5% on their endowment funds invested with Vanguard Investments and American Funds after investment fees were deducted.



CFTT Management Fee for 2006: The CFTT in 2006 levied a 1% management fee on all endowment funds that had reached their minimum account size of \$10,000 and were under \$1,000,000. This is the percent that has been levied since the CFTT started.