



O'Connor Davies Munns & Dobbins, llp
ACCOUNTANTS AND CONSULTANTS

**Independent Accountants' Report on Compliance with Section 2925(3)(1)
of the New York State Public Authorities Law**

**Board of Directors
Yonkers Industrial Development Agency**

We have examined Yonkers Industrial Development Agency's (the "Agency") compliance with Section 2925(3)(1) of the New York State Public Authorities Law and Part 201 of Title Two of the New York Code of Rules and Regulations during the year ended December 31, 2010. Management is responsible for the Agency's compliance with those requirements. Our responsibility is to express an opinion on the Agency's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included examining on a test basis evidence supporting the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Agency's compliance with specified requirements.

In our opinion, the Agency complied, in all material respects, with the aforementioned requirements during the year ended December 31, 2010.

This report is intended solely for the information and use of management, the board of directors, officials of Yonkers Industrial Development Agency, and the Office of State Comptroller of the State of New York. It is not intended to be and should not be used by anyone other than these specified parties.

O'Connor Davies Munns & Dobbins, llp

Harrison, New York
March 28, 2011

Yonkers Industrial Development Agency

Statement of Investments

December 31, 2010

	<u>Balance</u>	<u>Interest Earned</u>
Unrestricted		
Hudson Valley Bank		
Certificate of Deposit, dated 12/19/10, due 1/18/11	\$ 113,206	\$ 1,636
Certificate of Deposit, dated 12/8/10, due 1/7/11	107,139	1,104
Restricted		
Hudson Valley Bank		
Certificate of Deposit, dated 10/19/10, due 1/19/11	<u>256,028</u>	<u>20,903</u>
	<u>\$ 476,373</u>	<u>\$ 23,642</u>

Unrestricted investments are included in cash and cash equivalents on the Statement of Net Assets

Restricted investments are included in restricted cash on the Statement of Net Asset

See note to statement of investments

Yonkers Industrial Development Agency

Note to Statement of Investments

Note A - Summary of Accounting Policies

A summary of the significant accounting policies consistently applied in the preparation of the Yonkers Industrial Development Agency's Statement of Investments follows:

1. **Basis of accounting** – the accompanying Statement of Investments has been prepared on the accrual basis of accounting with interest on certificates of deposit being accrued as of December 31, 2010.



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ACCOUNTANTS AND CONSULTANTS

**Independent Auditors' Report on Communication of Internal Control Matters
Identified in the Audit**

**Board of Directors
Yonkers Industrial Development Agency**

In planning and performing our examination of Yonkers Industrial Development Agency's (the "Agency") compliance with Section 2925(3)(1) of the New York State Public Authorities Law and Part 201 of Title Two of the New York Code of Rules and Regulations during the year ended December 31, 2010, we considered the Agency's internal control over investments as a basis for designing our examination procedures, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over investments. We have issued a management letter dated March 28, 2011 related to the Agency's internal control over financial reporting as of and for the year ended December 31, 2010.

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 this is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.

This communication is intended solely for the information and use of management, the board of directors, others within the organization and Office of the State Comptroller of the State of New York and is not intended to be and should not be used by anyone other than these specified parties.

O'Connor Davies Munns & Dobbins, LLP

Harrison, New York
March 28, 2011