



EXTRACLASROOM ACTIVITY FUNDS
FINANCIAL STATEMENT WITH
INDEPENDENT AUDITOR'S REPORT
June 30, 2023

NORTH SHORE CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUNDS
June 30, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
North Shore Central School District
Sea Cliff, New York

Opinion

We have audited the accompanying Statement of Cash Receipts and Disbursements of the North Shore Central School District's (District) extraclassroom activity funds for the year ended June 30, 2023, and the related notes to the financial statement, which collectively comprise the District's financial statement as listed in the table of contents.

In our opinion, the financial statement referred to in the paragraph above presents fairly, in all material respects, the cash transactions of the extraclassroom activity funds of the North Shore Central School District for the year ended June 30, 2023, in accordance with the cash basis of accounting described in Note I.B.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the North Shore Central School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note I.B. of the financial statement, which describes the basis of accounting. This financial statement is prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the cash basis of accounting described in Note I.B; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for 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.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the extraclassroom activity funds' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the extraclassroom activity funds' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Cullen & Danowski, LLP

October 18, 2023

NORTH SHORE CENTRAL SCHOOL DISTRICT
EXTRACLASROOM ACTIVITY FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
For the Year Ended June 30, 2023

	Cash Balance <u>June 30, 2022</u>	Receipts and Transfers	Disbursements and Transfers	Cash Balance <u>June 30, 2023</u>	Increase (Decrease) From Prior Year
North Shore High School					
Advocates Human Rights	\$ 146	\$	\$	\$ 146	\$ -
Band Music	19,512	199	12,273	7,438	(12,074)
Class of 2022	374		374	-	(374)
Class of 2023	10,170	39,009	48,416	763	(9,407)
Class of 2024	5,958	30,218	24,557	11,619	5,661
Class of 2025	3,130	8,187	8,390	2,927	(203)
Class of 2026	-	4,009	1,354	2,655	2,655
Culture Club	4	1,398	1,397	5	1
Dance Club	4,008	1,430	3,172	2,266	(1,742)
Debate	267			267	-
Environmental Club	148	36	3	181	33
Fashion Club	273	269	401	141	(132)
FBLA	-	684	187	497	497
Foreign Exchange Program	32,160	143,605	154,448	21,317	(10,843)
Food Club	171	150	264	57	(114)
French Club	476		138	338	(138)
GSA	983	274	126	1,131	148
Interact Club	3,155	93	500	2,748	(407)
Italian Club	200			200	-
Mosaic Club	462			462	-
Mu Alpha Theta	702		93	609	(93)
National Art Honor Society	628	229	318	539	(89)
NHS Dance	-	593	526	67	67
NSHS Peer Aids	61			61	-
Robotics Club	25		25	-	(25)
School Store	5,170			5,170	-
Science National Honor Society	-	641		641	641
SGO	32,331	1,323	1,883	31,771	(560)
Ski	4,094	51,274	54,911	457	(3,637)
Spanish Club	99	-	-	99	-
Taliesin/Yearbook	14,838	2,061	2,038	14,861	23
Tri-M Honor Society	4,038	41	600	3,479	(559)
Varsity	32,902	230,448	223,360	39,990	7,088
V. Key	7,491	11,222	9,492	9,221	1,730
V. Masquers/Drama	5,678	10,869	5,564	10,983	5,305
Viking View	9,194	892	429	9,657	463
World Language Honor Society	1,425	1,020	1,215	1,230	(195)
Total - North Shore High School	200,273	540,174	556,454	183,993	(16,280)

NORTH SHORE CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
For the Year Ended June 30, 2023
(Continued)

	Cash Balance <u>June 30, 2022</u>	Receipts and <u>Transfers</u>	Disbursements and <u>Transfers</u>	Cash Balance <u>June 30, 2023</u>	Increase (Decrease) From <u>Prior Year</u>
North Shore Middle School					
7th Grade Board	\$ -	\$ 107	\$ 107	\$ -	\$ -
8th Grade Board	758	1,068	1,750	76	(682)
Animal Rights Club	-	128	128	-	-
Art Club	32			32	-
Culture Club	-	555	555	-	-
FACS/E3 Club	272			272	-
French Club	82			82	-
GSA	6			6	-
Intramurals	2,740	1,115	1,161	2,694	(46)
Interest Earnings	-	1,024		1,024	1,024
Italian Club	1,157			1,157	-
Mandarin Club	507			507	-
Masquers	3,462	7,500	2,846	8,116	4,654
Mathletes	7			7	-
Newspaper Club	6			6	-
Organic Gardening Club	75		64	11	(64)
SADD	79			79	-
School Store	146		65	81	(65)
Ski	6,389	27,570	27,567	6,392	3
Spanish Club	198	1		199	1
Student Council	6,939	21,396	22,496	5,839	(1,100)
Video Film Club	101			101	-
Yearbook	6,963	65	155	6,873	(90)
Total - North Shore Middle School	<u>29,919</u>	<u>60,529</u>	<u>56,894</u>	<u>33,554</u>	<u>3,635</u>
Total - All Schools	<u>\$ 230,192</u>	<u>\$ 600,703</u>	<u>\$ 613,348</u>	<u>\$ 217,547</u>	<u>\$ (12,645)</u>

NORTH SHORE CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

The extraclassroom activity funds represent funds of the students of the North Shore Central School District. Although, the extraclassroom activity funds are independent of the North Shore Central School District with respect to its financial transactions and the designation of student management and the individual transactions related to the activities of the funds, the Board of Education exercises general oversight of these funds and it has been determined that District management exercises administrative involvement with respect to the financial transactions. Based on these criteria, the extraclassroom activity funds are included in the North Shore Central School District's reporting entity and reported as a special revenue fund.

B. Basis of Accounting

The accompanying financial statement has been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Under that basis, the only asset recognized is cash, and no liabilities are recognized. All transactions are recognized as either cash receipts or disbursements, and noncash transactions are not recognized. The cash basis differs from generally accepted accounting principles primarily because receivables and payables, inventory, long-lived assets, and accrued income and expenses, which would be recognized under accounting principles generally accepted in the United States of America, and which may be material in amount, are not recognized in the accompanying financial statement.

C. Deposits with Financial Institutions and Investments

The District's investment policies are governed by state statutes and District policy. Resources must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the state. Permissible investments include obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, and obligations of New York State or its localities. Collateral is required for demand and time deposits, and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its Agencies and obligations of New York State and its municipalities. Investments are stated at fair value.

Custodial credit risk is the risk that in the event of a bank failure, the District may be unable to recover deposits or collateral securities that are in possession of an outside agency. GASB directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are as follows:

- A. Uncollateralized,
- B. Collateralized by securities held by the pledging financial institution, or
- C. Collateralized by securities held by the pledging financial institution's trust department or agent but not in the District's name.

The District's extraclassroom activity funds' aggregate bank balances were covered by FDIC insurance or fully collateralized by securities and/or letters of credit pledged on the District's behalf at year end.

