

**NAPLES CENTRAL SCHOOL DISTRICT  
EXTRACLASSROOM ACTIVITY FUND  
AND INDEPENDENT AUDITORS' REPORT**

**JUNE 30, 2021**

**NAPLES CENTRAL SCHOOL DISTRICT  
EXTRACLASROOM ACTIVITY FUND**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Education  
Naples Central School District  
Naples, New York

We have audited the accompanying statement of cash receipts, cash disbursements and cash balances of the Naples Central School District (the "District") Extraclassroom Activity Fund as of and for the year ended June 30, 2021, and the related notes to the financial statement.

### Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this statement of cash receipts, cash disbursements and cash balances in accordance with the cash basis of accounting described in Note 1; 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 the financial statement that is free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District'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 District'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 statement.

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 statement of cash receipts, cash disbursements and cash balances referred to above present fairly, in all material respects, the cash receipts, cash disbursements and cash balances of the Naples Central School District Extraclassroom Activity Fund for the year ended June 30, 2021, in accordance with the cash basis of accounting as described in Note 1.

## Basis of Accounting

We draw attention to Note 1 of the financial statement which describes the basis of accounting. The 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 this matter.

EFPR Group, CPAs, PLLC

EFPR Group, CPAs, PLLC  
Rochester, New York  
October 7, 2021

**NAPLES CENTRAL SCHOOL DISTRICT  
EXTRACLASROOM ACTIVITY FUND  
Statement of Cash Receipts, Cash Disbursements and Cash Balances  
For the Year Ended June 30, 2021**

	<b>Cash Balances July 1, 2020</b>	<b>Cash Receipts and Transfers</b>	<b>Cash Disbursements and Transfers</b>	<b>Cash Balances June 30, 2021</b>
5th & 6th Grade Band	\$ 2,284	\$ 50	\$ -	\$ 2,334
Boys Baseball Club	2,678	3,094	5,704	68
Boys Basketball Club	143	-	-	143
Boys Golf Club	839	-	-	839
CC and More	908	-	-	908
Class of 2020	5,480	-	1,646	3,834
Class of 2021	5,111	-	3,792	1,319
Class of 2022	3,906	6,154	1,686	8,374
Class of 2023	1,490	967	-	2,457
Class of 2024	549	899	500	948
Class of 2025	1,002	1,209	-	2,211
Class of 2026	-	953	-	953
Colorguard	2,345	-	22	2,323
Elementary Library Club	4,611	-	-	4,611
Elementary Student Council	2,031	-	-	2,031
Flying Fajitas Ski Team	438	-	-	438
French Club	788	-	-	788
Girls Basketball Club	1,765	-	-	1,765
Girls Softball Club	2,215	-	-	2,215
High School Chorus	3,408	-	100	3,308
High School Library Club	4,588	284	59	4,813
Indoor Soccer Club	1,927	-	-	1,927
Jr. Robotics Club	1,697	-	-	1,697
Junior Student Government	35	-	-	35
Naples Corner Store	9	-	-	9
Naples Robotics	2,349	5,000	621	6,728
NCS Musical	5,236	758	745	5,249
NCS PBL Club	269	-	-	269
NCS Varsity Swim Club	9,794	1,200	2,473	8,521
News Staff - In and Out	-	2,925	2,925	-
Operation Santa	20,808	19,007	16,893	22,922
P.L.A.N.T. Club	867	-	67	800
Popcorn Sales Club	136	-	-	136
Sales Tax Holding Account	41	761	292	510
Ski Club	320	-	-	320
Spanish Club	709	-	-	709
Student Council	15,429	80	1,421	14,088
Trap Shooting Club/Team	2,709	4,112	3,495	3,326
Triumphant in 2021 and Beyond	439	-	-	439
Yearbook	8,316	7,153	10,616	4,853
Totals	<u>\$ 117,669</u>	<u>\$ 54,606</u>	<u>\$ 53,057</u>	<u>\$ 119,218</u>

The accompanying notes are an integral part of these financial statements.

**NAPLES CENTRAL SCHOOL DISTRICT  
EXTRACLASSROOM ACTIVITY FUND  
Notes to Financial Statements**

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**Note 1. Summary of Significant Accounting Policies**

**A. Financial Reporting Entity**

The extraclassroom activity fund represents funds of the students of the Naples Central School District. Although the extraclassroom activity fund is independent of the District with respect to its financial transactions and the designation of student management, the Board of Education exercises general oversight of these funds. Based on this criterion, the extraclassroom activity fund is included in the District's reporting entity. The District reports these assets held by it as agent for the extraclassroom organizations in a miscellaneous special revenue fund in the governmental funds balance sheet and statement of revenues, expenditures and changes in fund balance.

**B. Basis of Accounting**

The accounts of the extraclassroom activity fund are maintained on a cash basis, and the statements of cash receipts, cash disbursements and cash balances reflects only cash received, disbursed and transferred between funds. Therefore, 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.

**Note 2. Proper Extraclassroom Activity Clubs**

Commissioner's regulations require that only funds involved with a Board-recognized student organization are reported in the extraclassroom activity fund. A bonafide student organization is one consisting of a number of student members with a student president, student treasurer and a faculty advisor.

Extraclassroom activity funds included in this report were formed only for educational and school service purposes in accordance with District rules and regulations for the conduct, operation and maintenance of extraclassroom activities.

**Note 3. Cash and Cash Equivalents – Custodial and Concentration of Credit Risk**

The extraclassroom activity funds cash and cash equivalents consist of cash on hand and demand deposits. New York State law governs the District's investment policies. 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 United States Treasury, United States Agencies, repurchase agreement 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 the state and its municipalities and districts. Investments, if any, are stated at fair value. There were no investments at June 30, 2021.

Custodial credit risk is the risk that in the event of a bank failure, the extraclassroom activity fund's deposits may not be returned to it. While extraclassroom activity funds do not have a specific policy for custodial credit risk, New York State statutes govern the District's investment policies, as discussed previously in these notes. Governmental Accounting Standards Board (GASB) Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance, and the deposits are either uncollateralized or collateralized with securities held by the pledging financial institution's trust department or agent, but not in the District's name.

The extraclassroom activity fund's aggregate bank balances of \$122,136 are either insured or collateralized with securities held by the pledging financial institutions in the District's name.