



**SHELTER ISLAND
UNION FREE SCHOOL DISTRICT**

**EXTRACLASSROOM ACTIVITY FUNDS
FINANCIAL STATEMENT WITH
INDEPENDENT AUDITOR'S REPORT**

June 30, 2010

SHELTER ISLAND UNION FREE SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUNDS
June 30, 2010

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Shelter Island Union Free School District
Shelter Island, New York

We have audited the Shelter Island Union Free School District's (District) extraclassroom activity funds Statement of Cash Receipts and Disbursements for the year ended June 30, 2010. This financial statement is the responsibility of the District's management. Our responsibility is to express an opinion on this financial statement based on our audit.

Except as explained in the following paragraph, 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 of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The records of the extraclassroom activity funds of the Shelter Island Union Free School District were not adequate to permit the application of adequate auditing procedures to indicate whether all receipts were recorded.

As described in Note I.B., this financial statement is prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, except for the effects of any adjustments that might have been determined to be necessary had we been able to perform adequate auditing procedures in regard to the receipts referred to in the third paragraph, the aforementioned financial statement presents fairly, in all material respects, the cash transactions of the extraclassroom activity funds of the Shelter Island Union Free School District for the year ended June 30, 2010, on the basis of accounting described in Note I.B.

Cullen & Danowski, LLP
November 5, 2010

SHELTER ISLAND UNION FREE SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
For the Year Ended June 30, 2010

CLUBS	<u>Cash Balance July 1, 2009</u>	<u>Receipts and Transfers</u>	<u>Disbursements and Transfers</u>	<u>Cash Balance June 30, 2010</u>
Class of 2005	\$ 39	\$ -	\$ 39	\$ -
Class of 2006	1,387		1,387	-
Class of 2007	324		324	-
Class of 2008	1,361		1,361	-
Class of 2010	4,609	19,270	23,811	68
Class of 2011	1,620	12,545	6,311	7,854
Class of 2012	984	1,523	168	2,339
Class of 2013	435	5,139	2,079	3,495
Class of 2014	4,958	43,873	48,807	24
Class of 2015	1,136	6,141	1,516	5,761
Drama Club	12,302	15,668	14,318	13,652
Half Pint Players	1,055		1,055	-
Sailing Club	-			-
Science Club	49			49
Student Council	919	1,195	1,470	644
Yearbook	577	17,632	15,397	2,812
Total	<u>\$ 31,755</u>	<u>\$ 122,986</u>	<u>\$ 118,043</u>	<u>\$ 36,698</u>

SHELTER ISLAND UNION FREE SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUNDS
NOTE TO FINANCIAL STATEMENT
June 30, 2010

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

The extraclassroom activity funds represent funds of the students of the District. Although, the extraclassroom activity funds are 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 funds are included in the District's reporting entity. The District reports these assets held by it as agent for the extraclassroom organizations in an agency fund in the Statement of Fiduciary Net Assets – Fiduciary Funds.

B. Basis of Accounting

The accounts of the extraclassroom activity funds are maintained on a cash basis, and the statement of cash receipts and disbursements reflects only cash received and disbursed. 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.

