MCGRAW CENTRAL SCHOOL DISTRICT EXTRACLASSROOM ACTIVITY FUNDS

Audited Financial Statements

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education McGraw Central School District

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the Extraclassroom Activity Funds of McGraw Central School District, which comprise the Statement of Assets and Fund Balance – Cash Basis as of June 30, 2023, and the related Statements of Cash Receipts, Cash Disbursements, and Changes in Fund Balance – Cash Basis for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective assets and fund balance of the Extraclassroom Activity Funds of the District as of June 30, 2023, and the cash receipts, cash disbursements, and changes in fund balance, for the year then ended in accordance with the cash basis of accounting as described in Note 1.

Basis for Opinions

We conducted our audit in accordance with auditing standards accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities of the Audit of the Financial Statements section of our report. We are required to be independent of the Extraclassroom Activity Funds of McGraw 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 opinions.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are 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 opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1, and for determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements 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.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. 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 statements, 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 Extraclassroom Activity Funds of McGraw Central School
 District's 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.

Purt. Kysham & Mushow Certified Public Accountants

October 5, 2023 Cortland, New York Extraclassroom Activity Funds Statement of Assets, Liabilities and Fund Equity - Cash Basis June 30, 2023

ASSETS

Cash	\$	107,314
Total Assets	\$	107,314
LIABILITIES AND FUND EQUITY		
Liabilities New York State Sales Tax Liability	\$	268
Fund Equity	· .	107,046
Total Liabilities and Fund Equity	\$	107,314

Extraclassroom Activity Funds Statement of Cash Receipts and Disbursements For the Year Ended June 30, 2023

Activities	Balance July 1, 2022		Receipts		Disbursements		Balance June 30, 2023	
Art Club	\$	132	\$	535	\$	504	\$	163
Cheerleading		_		- 1		-		- 1
Clay Target Club		3,404		4,150		2,570		4,984
Class of 2023		16,974		3,964		20,938		-
Class of 2024		6,980		17,417		6,134		18,263
Class of 2025		5,989		1,825		_		7,814
Class of 2026		-		4,869		1,209		3,660
Drama Club		10,025		21,593		12,847		18,771
Elementary Year Book		1,670		1,598		1,034		2,234
Environmental Club		552		670		386		836
FBLA		3,109		3,900		3,312		3,697
Foreign Language Club		8,375		110		102		8,383
Future Farmers of America		678		6,660		4,454		2,884
Junior Honor Society		1,398		441		82		1,757
Living Museum/Maroon & White		-		-		-		-
Magazine Club		-		-		-		
Middle School		3,598		2,631		4,778		1,451
Music - Vocal/Instrumental		10,728		5,957		8,482		8,203
Sales Tax Holding Account		574		1,115		1,421		268
Senior Honor Society		2,003		778		644		2,137
Sixth Grade		· -		-		-		-
Spanish Club		-		-		-		-
Student Council - High School		4,262		3,846		2,143		5,965
Student Countil - Elementary School		1,939		674		1,225		1,388
Varsity Club		2,825		6,206		5,014		4,017
Yearbook	_	12,806		4,385		6,752		10,439
Total Extraclassroom								
Activities Funds	\$	98,021	\$	93,324	\$	84,031	\$	107,314

Extraclassroom Activity Funds Notes to Financial Statements June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Student Extraclassroom Activity Funds of the McGraw Central School District represent funds of the students of the District. The Board of Education exercises general oversight of these funds. The extraclassroom activity funds are independent of the District with respect to its financial transactions, and designation of student management. However, the total amount of the extraclassroom funds is included within the Custodial Fund in the District's general purpose financial statements.

Student 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, operations, and maintenance of Extraclassroom activities.

The books and records of the McGraw Central School District Extraclassroom Activity Funds are maintained on the cash basis of accounting, and the Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Balance reflects only cash received and disbursed. Therefore, receivables and payables, inventories, long-lived assets, and accrued income and expenses, which would be recognized under generally accepted accounting principles, and which may be material in amount, are not recognized in the accompanying financial statements.

NOTE 2 - CASH AND INVESTMENTS – CUSTODIAL CREDIT, CONCENTRATION OF CREDIT RISK, INTEREST RATE AND FOREIGN CURRENCY RISKS

The Student Extraclassroom Activity Funds cash and cash equivalents consist of cash on hand and demand deposits. New York State law governs the School District's investment policies. Resources must be deposited in Federal Deposit Insurance Company (FDIC) insured commercial banks or trust companies located within the State. Permissible investments include obligations of the United States Treasury, United States 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 the State and its municipalities and Districts. Investments, if any, are stated at fair value.

Custodial risk is the risk that in the event of a bank failure, the Student Extraclassroom Activity Fund's deposits may not be returned to it. While the Student Extraclassroom Activity Funds do not have a specific policy for custodial credit risk, New York State statutes govern the McGraw Central School District's investment policies, as discussed previously in these notes. Governmental Accounting Standards Board Statement Number 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 Student Extraclassroom Activity Fund's aggregate bank balances of \$107,314 are either insured or collateralized with securities held by the pledging financial institution in the District's name.

Extraclassroom Activity Funds Notes to Financial Statements June 30, 2023

NOTE 3 - ACTIVITY INFORMATION

The Sales Tax Holding Account is paid to New York State every March. The District treasurer removes the sales tax collected from each activity fund and records it in this account. The activity funds are shown net of any sales tax collected.

NOTE 4 - SUBSEQUENT EVENTS

In preparing these financial statements, the District has evaluated events and transactions for potential recognition or disclosure through October 5, 2023, the date the financials were available to be issued.