

**Syracuse Academy of Science  
Charter School**

Financial Statements

June 30, 2010 and 2009



# Syracuse Academy of Science Charter School

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## Independent Auditors' Report

Board of Directors  
Syracuse Academy of Science Charter School

We have audited the accompanying statement of financial position of Syracuse Academy of Science Charter School (a nonprofit organization) as of June 30, 2010 and 2009, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. 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 audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Syracuse Academy of Science Charter School as of June 30, 2010 and 2009, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 15, 2010 on our consideration of Syracuse Academy of Science Charter School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.



Syracuse, New York  
October 15, 2010

# Syracuse Academy of Science Charter School

Statement of Financial Position

June 30, 2010 and 2009

	<u>2010</u>	<u>2009</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 594,019	\$ 1,021,298
Restricted cash, extra classroom funds	4,372	5,367
State and federal aid receivable	129,071	5,883
Other receivables, net	640,113	58,137
Prepaid expenses	47,300	28,165
	<u>1,414,875</u>	<u>1,118,850</u>
Total current assets	1,414,875	1,118,850
<b>Property and Equipment, Net</b>	<u>594,532</u>	<u>520,801</u>
Total assets	<u>\$ 2,009,407</u>	<u>\$ 1,639,651</u>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 21,056	\$ 25,942
Accrued liabilities	189,375	216,475
Restricted cash, extra classroom funds	4,372	5,367
Deferred revenue	320	-
	<u>215,123</u>	<u>247,784</u>
Total current liabilities	215,123	247,784
<b>Long-Term Debt, Net of Current Portion</b>	<u>-</u>	<u>-</u>
Total liabilities	215,123	247,784
<b>Net Assets</b>		
Unrestricted	<u>1,794,284</u>	<u>1,391,867</u>
Total liabilities and net assets	<u>\$ 2,009,407</u>	<u>\$ 1,639,651</u>

See notes to financial statements

# Syracuse Academy of Science Charter School

## Statement of Activities and Changes in Net Assets

Years Ended June 30, 2010 and 2009

	2010			Totals
	Unrestricted	Temporarily Restricted	Permanently Restricted	
<b>Revenue, Gains, and Other Support</b>				
Public School District:				
Revenue, resident student enrollment	\$ 3,500,950	\$ -	\$ -	\$ 3,500,950
Revenue, students with disabilities	143,989	-	-	143,989
Other revenue from public school districts	19,831	-	-	19,831
State grants	2,372	-	-	2,372
Federal grants	323,678	-	-	323,678
Other income	36,461	-	-	36,461
Total revenues, gains, and other support	4,027,281	-	-	4,027,281
<b>Expenses</b>				
Program expenses:				
Regular education	2,271,876	-	-	2,271,876
Special education	184,747	-	-	184,747
Other program	-	-	-	-
Total program expenses	2,456,623	-	-	2,456,623
Supporting services:				
Management and general	1,168,241	-	-	1,168,241
Fundraising and special events	-	-	-	-
Total supporting services	1,168,241	-	-	1,168,241
Total expenses	3,624,864	-	-	3,624,864
Increase in net assets	402,417	-	-	402,417
<b>Net Assets, Beginning of Year</b>	1,391,867	-	-	1,391,867
<b>Net Assets, End of Year</b>	<u>\$ 1,794,284</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,794,284</u>

See notes to financial statements

# Syracuse Academy of Science Charter School

## Statement of Activities and Changes in Net Assets

Years Ended June 30, 2010 and 2009

	2009			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
<b>Revenue, Gains, and Other Support</b>				
Public School District:				
Revenue, resident student enrollment	\$ 3,410,263	\$ -	\$ -	\$ 3,410,263
Revenue, students with disabilities	198,442	-	-	198,442
Other revenue from public school districts	20,833	-	-	20,833
State grants	2,463	-	-	2,463
Federal grants	274,336	-	-	274,336
Other income	26,100	-	-	26,100
	<u>3,932,437</u>	<u>-</u>	<u>-</u>	<u>3,932,437</u>
<b>Expenses</b>				
Program expenses:				
Regular education	2,137,207	-	-	2,137,207
Special education	205,950	-	-	205,950
Other program	-	-	-	-
	<u>2,343,157</u>	<u>-</u>	<u>-</u>	<u>2,343,157</u>
Supporting Services:				
Management and general	993,146	-	-	993,146
Fundraising and special events	-	-	-	-
	<u>993,146</u>	<u>-</u>	<u>-</u>	<u>993,146</u>
Total expenses	<u>3,336,303</u>	<u>-</u>	<u>-</u>	<u>3,336,303</u>
Increase in net assets	596,134	-	-	596,134
<b>Net Assets, Beginning of Year</b>	<u>795,733</u>	<u>-</u>	<u>-</u>	<u>795,733</u>
<b>Net Assets, End of Year</b>	<u>\$ 1,391,867</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,391,867</u>

See notes to financial statements

# Syracuse Academy of Science Charter School

## Statement of Functional Expenses

Years Ended June 30, 2010 and 2009

	2010					Total
	Regular Education	Special Education	Other Program	Fundraising and Special Events	Management and General	
<b>Payroll and Related Expenses</b>						
Salaries	\$ 1,412,830	\$ 116,063	\$ -	\$ -	\$ 402,722	\$ 1,931,615
Employee benefits and payroll taxes	346,376	29,086	-	-	96,181	471,643
Total payroll and related expenses	1,759,206	145,149	-	-	498,903	2,403,258
<b>Building Occupancy</b>						
Board expenses	-	-	-	-	1,802	1,802
Occupancy	-	-	-	-	177,393	177,393
Equipment rental/lease	7,381	-	-	-	8,000	15,381
Total building occupancy	7,381	-	-	-	187,195	194,576
<b>Services</b>						
Food	67,008	-	-	-	-	67,008
Insurance	6,969	-	-	-	24,414	31,383
Legal	-	-	-	-	16,067	16,067
Payroll	-	-	-	-	9,080	9,080
Total services	73,977	-	-	-	49,561	123,538
<b>Administrative</b>						
Accounting/auditing fees	-	-	-	-	10,450	10,450
Fixed asset disposals	12,414	-	-	-	-	12,414
Field trip expense	6,883	-	-	-	-	6,883
Maintenance and repairs	23,156	-	-	-	154,146	177,302
Marketing	9,952	-	-	-	-	9,952
Other expenses	7,194	-	-	-	16,214	23,408
Printing	2,900	-	-	-	4,168	7,068
Postage and delivery	106	-	-	-	11,829	11,935
Retirement expense	64,828	6,282	-	-	18,546	89,656
Staff development	10,014	33,316	-	-	12,453	55,783
Staff recruitment	546	-	-	-	2,232	2,778
Supplies and materials	227,547	-	-	-	60,144	287,691
Telephone	7,854	-	-	-	12,708	20,562
Dues and subscriptions	-	-	-	-	5,324	5,324
Consulting fees	33,352	-	-	-	9,878	43,230
Travel	24,566	-	-	-	4,206	28,772
Bad debt expense	-	-	-	-	4,306	4,306
Utilities	-	-	-	-	40,147	40,147
Total administrative	431,312	39,598	-	-	366,751	837,661
Total expenses before depreciation	2,271,876	184,747	-	-	1,102,410	3,559,033
Depreciation	-	-	-	-	65,831	65,831
Total expenses	\$ 2,271,876	\$ 184,747	\$ -	\$ -	\$ 1,168,241	\$ 3,624,864

See notes to financial statements

# Syracuse Academy of Science Charter School

## Statement of Functional Expenses

Years Ended June 30, 2010 and 2009

	2009					Total
	Regular Education	Special Education	Other Program	Fundraising and Special Events	Management and General	
<b>Payroll and Related Expenses</b>						
Salaries	\$ 1,406,502	\$ 155,138	\$ -	\$ -	\$ 381,762	\$ 1,943,402
Employee benefits and payroll taxes	333,445	25,809	-	-	66,987	426,241
Total payroll and related expenses	1,739,947	180,947	-	-	448,749	2,369,643
<b>Building Occupancy</b>						
Board expenses	-	-	-	-	1,117	1,117
Occupancy	650	-	-	-	171,055	171,705
Equipment rental/lease	3,298	-	-	-	3,559	6,857
Total building occupancy	3,948	-	-	-	175,731	179,679
<b>Services</b>						
Food	66,062	-	-	-	-	66,062
Insurance	6,729	-	-	-	23,680	30,409
Legal	2,783	-	-	-	18,627	21,410
Payroll	-	-	-	-	9,045	9,045
Total services	75,574	-	-	-	51,352	126,926
<b>Administrative</b>						
Accounting/auditing fees	-	-	-	-	10,470	10,470
Fixed asset disposals	-	-	-	-	8,442	8,442
Field trip expense	4,315	-	-	-	-	4,315
Maintenance and repairs	18,553	-	-	-	62,676	81,229
Marketing	5,801	-	-	-	-	5,801
Other expenses	7,443	-	-	-	4,178	11,621
Printing	2,614	-	-	-	2,497	5,111
Postage and delivery	544	-	-	-	9,830	10,374
Retirement expense	95,193	8,548	-	-	14,144	117,885
Staff development	13,854	15,075	-	-	6,142	35,071
Staff recruitment	4,327	-	-	-	-	4,327
Supplies and materials	125,897	1,380	-	-	44,071	171,348
Telephone	9,061	-	-	-	13,852	22,913
Interest expense	-	-	-	-	5,952	5,952
Consulting fees	26,217	-	-	-	17,969	44,186
Travel	3,919	-	-	-	2,411	6,330
Utilities	-	-	-	-	59,157	59,157
Total administrative	317,738	25,003	-	-	261,791	604,532
Total expenses before depreciation	2,137,207	205,950	-	-	937,623	3,280,780
Depreciation	-	-	-	-	55,523	55,523
Total expenses	\$ 2,137,207	\$ 205,950	\$ -	\$ -	\$ 993,146	\$ 3,336,303

See notes to financial statements

# Syracuse Academy of Science Charter School

## Statement Cash Flows

Years Ended June 30, 2010 and 2009

	<u>2010</u>	<u>2009</u>
<b>Cash Flows from Operating Activities</b>		
Revenues from School Districts	\$ 3,078,489	\$ 3,660,511
Grant Revenues	214,761	312,151
Miscellaneous sources	24,565	(4,584)
Payment to vendors for goods and services rendered	(1,161,182)	(874,090)
Payment to charter school personnel for services rendered	(2,432,584)	(2,369,643)
Interest payments	-	(5,952)
	<u>(275,951)</u>	<u>718,393</u>
<b>Cash Flows Used in Investing Activities</b>		
Purchase of equipment	<u>(151,328)</u>	<u>(53,862)</u>
<b>Cash Flows Used in Financing Activities</b>		
Principal payments of long-term debt	<u>-</u>	<u>(98,817)</u>
	(427,279)	565,714
Net increase (decrease) in cash and cash equivalents		
<b>Cash and Cash Equivalents, Beginning</b>	<u>1,021,298</u>	<u>455,584</u>
<b>Cash and Cash Equivalents, Ending</b>	<u>\$ 594,019</u>	<u>\$ 1,021,298</u>
<b>Reconciliation of Increase in Net Assets to Net Cash Provided by (Used in) Operating Activities</b>		
Increase in net assets	\$ 402,417	\$ 596,134
Adjustment to reconcile increase in net assets to net cash provided by (used in) operating activities:		
Depreciation	65,831	55,523
Loss on disposals	11,766	8,442
(Increase) decrease in assets:		
State and federal aid receivable	(123,188)	33,174
Other receivables	(581,976)	18,631
Prepaid expenses	(19,135)	(16,165)
Increase (decrease) in liabilities:		
Accounts payable	(4,886)	21,097
Accrued liabilities	(27,100)	1,557
Deferred revenue	320	-
	<u>\$ (275,951)</u>	<u>\$ 718,393</u>
Net cash provided by (used in) operating activities		

See notes to financial statements

# **Syracuse Academy of Science Charter School**

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Notes to Financial Statements  
June 30, 2010 and 2009

## **1. Description of Organization and Summary of Significant Accounting Policies**

### **Nature of Activities**

Syracuse Academy of Science Charter School was organized and is operated exclusively for educational purposes pursuant to Article 56 of the Education law and in accordance with the charter agreement between the board and the board of regents as approved by the Board of Regents on January 15, 2003. A provisional charter was issued for a term of five years incorporating them as an education corporation under the name Syracuse Academy of Science Charter School, located in the City of Syracuse, County of Onondaga, and State of New York. The charter was renewed in January 2008 for 4.5 years through June 30, 2012.

The corporation was created as a nonstock corporation organized and operated exclusively for educational purposes as defined in section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law), and no part of its earnings or net income shall inure to the benefit of any individual, and no officer, member, or employee of the corporation shall receive or be entitled to receive any pecuniary profit from the operations thereof, except reasonable compensation for services.

### **Basis of Accounting**

The Academy follows the practice of recording revenues when earned and expenses when incurred. Investment income is recognized on the accrual basis. Pledges for contributions are recorded as support in the period in which they are made unless the pledge specifies that it is for use in future periods, in which case it is discounted to the present value. Gifts received, other than in cash, are recorded at their fair market value at the date of gift. Contributions are recorded as received and considered to be available for unrestricted use unless specifically restricted by the donor.

Contributions which are restricted by the donor for a particular purpose are deemed to be earned and reported as support when the Academy has incurred expenditures in compliance with the specific restrictions. Such amounts received but not yet earned are reported as temporarily restricted support and then reclassified to unrestricted net assets upon expiration of the time restriction.

### **Basis of Presentation**

The Academy is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted.

# **Syracuse Academy of Science Charter School**

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Notes to Financial Statements  
June 30, 2010 and 2009

## **1. Description of Organization and Summary of Significant Accounting Policies (Continued)**

### **Income Tax Status**

The Academy is a non-profit organization exempt from income taxes on qualifying net income. The Academy qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as other than a private foundation. The Academy is not subject to examination by the U.S. federal or state taxing authorities for years prior to 2007.

Management is unaware of any unrelated business activities that may be subject to unrelated business income tax or any activities that would jeopardize the Academy's exempt status.

### **Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### **Restricted and Unrestricted Revenue and Support**

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions. Federal grant awards are classified as refundable advances until expended for the purposes of the grants since they are conditional promises to give.

### **Cash and Cash Equivalents**

For purposes of these financial statements, the Academy considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

# **Syracuse Academy of Science Charter School**

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Notes to Financial Statements  
June 30, 2010 and 2009

## **1. Description of Organization and Summary of Significant Accounting Policies (Continued)**

### **Accounts Receivable**

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. At June 30, 2010 and 2009, the Academy had an allowance for doubtful accounts of \$4,306 and \$-0-, respectively. If amounts become uncollectible, they will be charged to operations when that determination is made.

### **Subsequent Events**

The Academy has evaluated subsequent events through October 15, 2010, which is the date of the financial statements were available to be issued.

### **Property and Equipment**

Property and equipment purchases are recorded at historical cost at acquisition or fair market value at date of donation. Expenditures for fixed assets in excess of \$500 and with an expected life greater than one year are capitalized; the fair value of donated assets is similarly capitalized. Depreciation expense is recorded on all property and equipment on a straight-line basis over their estimated useful lives. Depreciation expense amounted to \$66,070 and \$55,523 for June 30, 2010 and 2009, respectively.

### **Donated Materials, Services, Property and Equipment**

Donated materials and services are reflected as contributions at their estimated values with an offsetting charge to expense. Only those materials for which there is an objective basis of valuation are reflected in the financial statements. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. There were no property and equipment donations at June 30, 2010 and 2009, respectively.

### **New Accounting Pronouncements**

In June 2009, the FASB issued a new accounting standard related to subsequent events. Effective June 30, 2009, the Academy adopted the standard which provides guidance on accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. The adoption of this standard did not have a material effect on the Academy's financial statements.

The Financial Accounting Standards Board (FASB) issued an interpretation regarding Accounting for Uncertainty in Income Taxes. This interpretation clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with FASB ASC 740-10. This interpretation is effective for fiscal years beginning after December 15, 2008. The Academy has adopted the provisions of the pronouncement and the adoption did not impact the amounts reported in the Academy's financial statements.

# Syracuse Academy of Science Charter School

Notes to Financial Statements  
June 30, 2010 and 2009

## 1. Description of Organization and Summary of Significant Accounting Policies (Continued)

In June 2009, the FASB established the FASB Accounting Standards Codification ("Codification") as the sole source of authoritative accounting principles generally accepted in the United States of America. As a result, all references to accounting literature will conform to the appropriate reference within the Codification. The adoption of the Codification did not have any impact on the Academy's financial statements.

### Functional Allocation of Expenses

The costs of providing the various programs have been summarized on a functional basis in the Statement of Activities. The costs are functionalized on a direct basis, where possible. Indirect costs are allocated on the basis of direct costs to total costs by function.

## 2. Other Receivable

There was \$644,418 and \$56,975 of other receivables that related to Charter school payments and tuition at June 30, 2010 and 2009, respectively.

The Academy grants credit to New York State and also school districts located within the Central New York State region.

## 3. Property and Equipment

Property and equipment consists of the following at June 30:

	<u>2009</u>	<u>2008</u>
Equipment and furnishings	\$ 490,680	\$ 409,859
Reading books and textbooks	101,604	101,604
Leasehold improvements	216,725	207,925
Vehicles	26,598	-
Computer software and hardware	<u>119,127</u>	<u>112,723</u>
	954,734	832,111
Accumulated depreciation	<u>(360,202)</u>	<u>(311,310)</u>
	<u>\$ 594,532</u>	<u>\$ 520,801</u>

# Syracuse Academy of Science Charter School

Notes to Financial Statements  
June 30, 2010 and 2009

## 4. Commitments

The Academy leases office space under an operating lease. The Academy renewed the lease through June 30, 2014.

The Academy entered into three operating leases with IKON Financial Services for copiers. The first lease is for forty-eight months, starting as of March 31, 2009. The total monthly payment is \$487. The second lease is for thirty-six months, starting November, 2007. The total monthly payment is \$333. The third lease is for forty-eight months, starting March 2010. The total monthly payment is \$303.

The following is a schedule of future minimum rental payments required under the above leases as of June 30, 2010:

2011	\$ 193,021
2012	198,977
2013	204,608
2014	207,684
2015	-
	<u>\$ 804,290</u>

Rent expense amounted to \$177,393 and \$171,705 for June 30, 2010 and 2009, respectively.

## 5. Retirement Expense

The Academy participates in the New York State Teachers' Retirement System (NYSTRS). This is a cost-sharing multiple employer public employee retirement system. The System offers a wide range of plans and benefits, which are related to years of service and final average salary, vesting of retirement benefits, death, and disability.

The New York State Teachers' Retirement Board administers NYSTRS. The System provides benefits to plan members and beneficiaries as authorized by the Education Law and the Retirement and Social Security Law of the State of New York. NYSTRS issues a publicly available financial report that contains financial statements and required supplementary information for the System. The report may be obtained by writing to NYSTRS, 10 Corporate Woods Drive, Albany, New York 12211-2395.

The System is noncontributory, except for employees who joined the System after July 27, 1976, who contribute 3% of their salary, except that employees in the System more than ten years are no longer required to contribute. Pursuant to Article 11 of the Education Law, the New York State Teachers' Retirement Board establishes rates annually for NYSTRS. Effective January 2010, Tier 4 members contribute 3.5% of their salary for the entire membership of this tier.

# Syracuse Academy of Science Charter School

Notes to Financial Statements  
June 30, 2010 and 2009

## 5. Retirement Expense (Continued)

The Academy is required to contribute at an actuarially determined rate. The Academy contributions made to the System were equal to 100% of the contributions required for each year. The required contributions for the current year and two preceding years were:

	<u>NYSTRS</u>
2009 - 2010	\$ 86,180
2008 - 2009	115,757
2007 - 2008	139,866

## 6. Tax-Deferred Annuity Plan

During the year ended June 30, 2009, the Academy entered into a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code. The plan covers employees working over 1,000 hours in a twelve-month period or more than twenty hours per week. The Academy matches up to \$780 per participant in each calendar year. Employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code if they wish. Plan expenses were \$3,475 and \$2,128 for June 30, 2010 and 2009, respectively.

## 7. Concentrations of Credit Risk

Financial instruments that potentially subject the Academy to concentrations of credit risk consist principally of cash and revenues.

### Cash

The Academy has checking accounts held at a financial institution used for day to day operations. Accounts at each bank are guaranteed by the Federal Deposit Insurance Corporation (FDIC). The FDIC insurable limit is \$250,000 per depositor per bank. Throughout the year, the Academy's cash balances may exceed FDIC insured limits.

### Revenue

The majority of the Academy's program service fees come from New York State and School Districts within New York State. The School's support is, therefore, directly dependent on state spending.

## 8. Line of Credit

The Academy has a \$25,000 revolving line of credit. Bank advances plus any unpaid accrued interest on the credit line are payable on demand and carry an interest rate of 7.00% at both June 30, 2010 and 2009, respectively. Any borrowings are secured by inventory, equipment, and deposit accounts. As of June 30, 2010 and 2009, there were no outstanding borrowings.

**Syracuse Academy of Science  
Charter School Extraclassroom  
Activity Funds**

Financial Statements

June 30, 2010

# **Syracuse Academy of Science Charter School Extraclassroom Activity Funds**

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## Independent Auditors' Report

Board of Directors of the  
Syracuse Academy of Science Charter School  
Extraclassroom Activity Funds

We have audited the accompanying statement of assets, liabilities, and fund balance arising from cash transactions of the extraclassroom activity funds of the Syracuse Academy of Science Charter School as of June 30, 2010, and the related statement of cash receipts and disbursements for the year ended June 30, 2010. These financial statements are the responsibility of the Syracuse Academy of Science Charter School Extraclassroom Activity Funds' management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the minimum program for audits of financial records of New York State School Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. 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 School's policy is to prepare the financial statements of the extraclassroom activity funds on the basis of cash receipts and disbursements, as explained in Note 1 to the financial statements. Accordingly, the accompanying statement of assets, liabilities, and fund balance arising from cash transactions, and statement of cash receipts and disbursements are not intended to present financial position and results of operations in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the aforementioned statements present fairly the cash and fund balance of the extraclassroom activity funds of Syracuse Academy of Science Charter School as of June 30, 2010 arising from cash transactions and cash collected and disbursements made for the year then ended on the basis of accounting described in Note 1.



Syracuse, New York  
October 15, 2010

# **Syracuse Academy of Science Charter School Extraclassroom Activity Funds**

Statement of Assets, Liabilities and Fund Balance Arising from Cash Transactions

June 30, 2010

## **Assets**

Cash

\$ 4,372

## **Fund Balance**

Aggregate of all funds

\$ 4,372

## Syracuse Academy of Science Charter School Extraclassroom Activity Funds

### Statement of Cash Receipts and Disbursements

Year Ended June 30, 2010

	<u>Cash Balance June 30, 2009</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash Balance June 30, 2010</u>
Drama Club	\$ -	\$ 933	\$ 790	\$ 143
Field Trip	392	4,148	3,454	1,086
Science Club	44	-	44	-
Senior Club	374	4,471	3,533	1,312
Student Activities	3,446	2,686	5,279	853
Student Athletic	160	1,106	938	328
Student Government	1,473	-	823	650
Yearbook Club	(526)	3,526	3,000	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total	<u>\$ 5,363</u>	<u>\$ 16,870</u>	<u>\$ 17,861</u>	<u>\$ 4,372</u>

*See notes to financial statements*

# Syracuse Academy of Science Charter School Extraclassroom Activity Funds

Notes to Financial Statements

June 30, 2010

## 1. Summary of Significant Accounting Policies

The accounting policies of the Extraclassroom Activity Funds conform to the basis of accounting mandated by the New York State Education Department. In accordance with this system, the funds maintain their accounting records using the cash basis of accounting. Under this basis of accounting, revenues are recognized when cash is received, and expenditures are recognized when cash is disbursed.

## 2. Additional Disclosure

The transactions of the extraclassroom activity funds are not considered part of the reporting entity of the Syracuse Academy of Science Charter School. Consequently, such transactions are not included in the financial statements of the School. Cash receipts, and the segregation of transactions by individual fund, are reflected in the attached statement of cash receipts and disbursements as they were recorded in the accounting records. The cash balance outstanding as of June 30, 2010 is reflected on the financial statements as both an asset and a liability in accordance with the State Education Department guidelines.

## 3. Cash

The cash balance of the extraclassroom activity fund is comprised of the following as of:

	<u>June 30, 2010</u>
Cash, checking	<u>\$ 4,372</u>