

HYDE LEADERSHIP CHARTER SCHOOL



Financial Statements (Together with Independent Auditors' Report)

Years Ended June 30, 2020 and 2019

and

**Single Audit Reports and Schedule as Required by the
Office of Management and Budget Uniform Guidance**

For the Year Ended June 30, 2020

M A R K S P A N E T H

ACCOUNTANTS & ADVISORS

LEADERSHIP CHARTER SCHOOL
FINANCIAL STATEMENTS
(Together with Independent Auditors' Report)



**HYDE LEADERSHIP CHARTER SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019**

NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K Functional Allocation of Expenses - Expenses are categorized and summarized according to their functional classification as either program services, development, or management and general. Program Services expenses are expenses directly associated with general education and special education those students requiring additional attention and guidance. Development expenses are expenses directly associated with the School's effort to raise funds to support the operations for the School. Lastly, Management and General expenses are expenses related to the overall administration and operations of the school that are not directly associated with any program services or development.

All of the above mentioned expense categories, when pertaining to a single and specific program, are charged against the relating functional expense classification. In the event that an expense serves multiple functions,

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**HYDE LEADERSHIP CHARTER SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019**

NOTE 12- CONCENTRATIONS

- A. The School receives a majority of its revenues from the New York State Education Department through the New York City Department of Education. The New York City Department of Education provides general operating support to the School based upon the location and the number of students enrolled. Operating support provided to the School by the New York City Department of Education totaled \$19,035,269 and \$18,009,096, respectively, for the years ended June 30, 2020 and 2019.**
- B. Cash accounts that potentially subject the School to a concentration of credit risk include cash accounts with banks that exceed the Federal Deposit Insurance Corporation ("FDIC") insurance limits. Cash accounts are insured up to \$250,000 per depositor. As of June 30, 2020 and 2019, there was approximately \$10,697,000 and \$6,783,000, respectively, of cash and cash equivalents held by a bank that exceeded FDIC limits.**

NOTE 13- SUBSEQUENT EVENTS

Management has evaluated, for potential accrual or disclosure, events subsequent to the date of the statements of financial position through October 28, 2020, the date the financial statements were available to be issued.

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Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Schools internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Schools internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**New York, NY
October 28, 2020**

**HMC LEADERSHIP CHARTER SCHOOL
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2020**

Prior Year Findings:

No matters were reported