

Village of Ardsley, New York

Village Justice Court

Statement of Cash Receipts,
Cash Disbursements and Cash Balances

Year Ended May 31, 2017

Independent Auditors' Report

The Honorable Mayor and Village Board of Trustees of the Village of Ardsley, New York

We have audited the accompanying statement of cash receipts, cash disbursements and cash balances of the Village Justice Court of the Village of Ardsley, New York, as of and for the year ended May 31, 2017, and the related note to financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the 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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on this 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement 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 entity'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 financial statement referred to in the first paragraph presents fairly, in all material respects, the cash receipts, cash disbursements and the cash balances of the Village Justice Court of the Village of Ardsley, New York as of May, 31, 2017 and for the year then ended, in accordance with the 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 was 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 that matter.

Restriction on Use

This report is intended solely for the information and use of the Board of Trustees, the Office of Court Administration and management and is not intended to be and should not be used by anyone other than these specified parties.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

August 4, 2017

Village of Ardsley, New York

Village Justice Court

Statement of Cash Receipts, Cash Disbursements and Cash Balances

Year Ended May 31, 2017

	Justice Schwartz and Acting Justice Prince	
	Fines	Bail
CASH RECEIPTS		
Bail	\$ -	\$ 20,353
Fines, fees and other	196,684	-
Total Cash Receipts	196,684	20,353
CASH DISBURSEMENTS		
Remittances to Village	195,261	-
Bail refunds and bail applied to fines and forfeitures	-	16,000
Total Cash Disbursements	195,261	16,000
Excess of Cash Receipts Over Cash Disbursements	1,423	4,353
CASH BALANCES		
Beginning of Year	15,432	5,450
End of Year	<u>\$ 16,855</u>	<u>\$ 9,803</u>
CASH BALANCES REPRESENTED BY		
Amounts due to Village	\$ 16,855	\$ -
Undisposed cases	-	9,803
Cash Balances - May 31, 2017	<u>\$ 16,855</u>	<u>\$ 9,803</u>

Note 1 - Summary of Significant Accounting Policies

A. Basis of Accounting

This financial statement was prepared on the basis of cash receipts and cash disbursements in conformity with the accounting principles prescribed in the New York State Handbook for Town and Village Justices, which is a comprehensive basis of accounting other than generally accepted accounting principles. Under this basis of accounting, revenues are recognized when cash is received and expenditures are recognized when cash is disbursed.

B. Cash and Equivalents and Risk Disclosure

Cash and Equivalents – Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and certificates of deposit with original maturities of less than three months.

The Village Justice Court's deposits and investment policies follow the Village of Ardsley, New York's policies. The Village's investment policies are governed by state statutes. The Village has adopted its own written investment policy which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the state. The Village is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury, U.S. Agencies and obligations of New York State or its political divisions, and accordingly, the Village's policy provides for no credit risk on investments.

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The Village has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

Risk Disclosure

Interest Rate Risk – Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The Village does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates. Generally, the Village does not invest in any long-term investment obligations.

Custodial Credit Risk – Custodial risk is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. 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, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the Village's name. The Village's aggregate bank balances that were not covered by depository insurance were not exposed to custodial risk at May 31, 2017.

Note 1 - Summary of Significant Accounting Policies (Continued)

Credit Risk - Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The Village does not have a formal credit risk policy other than restrictions to obligations allowable under General Municipal Law of the State of New York.

Concentration of Credit Risk - Concentration of credit risk is the risk attributed to the magnitude of a government's investments in a single issuer. The Village's investment policy limits the amount of deposit at each of its banking institutions
