

**SPACKENKILL UNION FREE SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUNDS**

**Financial Statements
as of June 30, 2014
Together with
Independent Auditor's Report**

Bonadio & Co., LLP
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

December 10, 2014

To the Board of Education of the
Spackenkill Union Free School District:

Report on the Financial Statements

We have audited the accompanying financial statements of Spackenkill Union Free School District's (District) Extraclassroom Activities Funds which comprise the statement of cash and fund balance- cash basis as of June 30, 2014, and the related statement of cash receipts and cash disbursements – cash basis for the year then ended, and the related notes to the financial statements.

Management's Responsibility 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; 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 error or fraud.

Auditor's Responsibility

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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, 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 statements 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 statements.

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INDEPENDENT AUDITOR'S REPORT (Continued)

Auditor's Responsibility

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

Insufficient accounting controls are exercised over cash receipts at the point of collection to the time of submission to the Central Treasurer. Accordingly, we were unable to obtain sufficient audit evidence over such receipts beyond the amounts recorded.

Qualified Opinion

In our opinion, except for the possible effects of the matter discussed in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the cash and fund balance of the Spackenkill Union Free School District Extraclassroom Activity Funds as of June 30, 2014, and its cash receipts and cash disbursements for the year then ended, in accordance with the cash basis of accounting described in Note 1.

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 opinion is not modified with respect to that matter.

Bonadio & Co., LLP

**SPACKENKILL UNION FREE SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUNDS**

**STATEMENT OF CASH AND FUND BALANCE-CASH BASIS
JUNE 30, 2014**

ASSETS

CASH	\$	79,967
TOTAL ASSETS	\$	<u>79,967</u>

FUND BALANCES

FUND BALANCES		79,967
TOTAL FUND BALANCES	\$	<u>79,967</u>

The accompanying notes are an integral part of these financial statements.

**SPACKENKILL UNION FREE SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUNDS**

**STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS-CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2014**

	Fund Balance <u>July 1, 2013</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Fund Balance <u>June 30, 2014</u>
SPACKENKILL HIGH SCHOOL				
Art Club	\$ 170	\$ 1,477	\$ 1,153	\$ 494
Athletics Club	1,790	2,757	3,242	1,305
Chess Club	41	-	-	41
Class of 2010	204	-	204	-
Class of 2011	292	-	292	-
Class of 2012	104	-	104	-
Class of 2013	2,230	-	2,230	-
Class of 2014	4,400	26,110	28,735	1,775
Class of 2015	4,908	17,459	14,699	7,668
Class of 2016	1,030	2,282	842	2,470
Class of 2017	-	3,869	1,821	2,048
Computer	308	-	78	230
Contrast	478	1,625	1,040	1,063
Current Events/Debate Club	158	-	-	158
Drama	5,948	13,638	12,586	7,000
Environmental	2,459	195	-	2,654
F. A. H. I. R.	234	-	-	234
French Club	939	546	308	1,177
GSA	340	40	150	230
ITS	39	-	-	39
Leo Club	1,307	4,180	3,370	2,117
Math League	27	-	-	27
MSG Varsity/Media Club	1,346	-	-	1,346
National Honor Society	1,260	573	556	1,277
Pegasus	519	-	-	519
Photography	350	-	-	350
S. A. D. D.	664	1,245	1,051	858
Sales Tax	691	5,528	4,311	1,908
School Store	3,059	1,146	2,223	1,982
Science Club	1,142	1,352	1,328	1,166
Ski Club	463	6,429	6,115	777
Social Studies Club	75	-	75	-
Step Team	167	-	167	-
Student Government	7,973	6,218	3,716	10,475
YAR	1,414	-	746	668
Yearbook	3,912	18,884	16,950	5,846
	<u>50,441</u>	<u>115,553</u>	<u>108,092</u>	<u>57,902</u>
Sub-total - Spackenkill High School	<u>50,441</u>	<u>115,553</u>	<u>108,092</u>	<u>57,902</u>

(Continued)

**SPACKENKILL UNION FREE SCHOOL DISTRICT
EXTRACLASROOM ACTIVITY FUNDS**

**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS-CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(Continued)**

	<u>Fund Balance</u> <u>July 1, 2013</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Fund Balance</u> <u>June 30, 2014</u>
TODD MIDDLE SCHOOL				
Bookbag	1,085	1,516	1,210	1,391
Drama	2,175	1,773	2,561	1,387
Sales Tax	65	688	714	39
Student Government	17,897	9,570	9,359	18,108
Yearbook	513	3,866	3,239	1,140
Sub-total - Todd Middle School	<u>21,735</u>	<u>17,413</u>	<u>17,083</u>	<u>22,065</u>
Sub-total High School	<u>50,441</u>	<u>115,553</u>	<u>108,092</u>	<u>57,902</u>
Total All Schools	<u>\$ 72,176</u>	<u>\$ 132,966</u>	<u>\$ 125,175</u>	<u>\$ 79,967</u>

The accompanying notes are an integral part of these financial statements.

**SPACKENKILL UNION FREE SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUNDS**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Spackenkill Union Free School District Extraclassroom Activity Funds (the District) are prepared on the cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States. The cash basis of accounting, therefore, does not recognize receivables and payables, inventories, long-lived assets, and accrued income and expenses, which would be recognized under accounting principles generally accepted in the United States. The more significant principles and policies used by the District are described below.

Reporting Entity

The transactions of the Extraclassroom Activity Funds are included in the reporting entity of the Spackenkill Union Free School District. Such transactions are included in the combined financial statements of the District and reported in the Trust and Agency Fund as restricted cash and extraclassroom activity fund balances. Exclusion from the District's financial statements, due to their nature and significance of their relationship with the primary government, would cause the reporting entity's financial statements to be misleading or incomplete.

The Extraclassroom Activity Funds of the 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 the designation of student management. The activities included in this report were formed only for educational and school activity purposes in accordance with District rules and regulations for the conduct, operation, and maintenance of the Extraclassroom Activities.

Cash

The District's cash consists of cash on hand, demand deposits, and savings accounts.

New York State law governs the District's investment policies. Resources must be deposited in 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 New York State or its localities.

Equity Classification - Fund Balance

Unreserved fund balance consists of the portion of fund balance that has not been designated or reserved.

2. CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents

Demand deposit accounts at year-end were entirely covered by FDIC insurance or deposited in trust companies located within the State. At June 30, 2014, cash and cash equivalents are entirely composed of demand deposit accounts. All are carried at cost, which approximates market.